

**AGREEMENT BETWEEN OWNER AND CONTRACTOR**

The Parties to this agreement are:

Owner:

FORT BEND GRAND PARKWAY TOLL ROAD AUTHORITY,  
a political subdivision of the State of Texas.  
c/o The Muller Law Group, PLLC  
16555 Southwest Freeway, Suite 200  
Sugar Land, Texas 77479

Contractor:

NBG Constructors, Inc.  
9702 Synott Road  
Houston, TX 77083

THIS AGREEMENT ("Agreement") is made and entered into this 17<sup>th</sup> day of February, 2016, between the Parties, for and in consideration of the mutual covenants hereinafter set forth, and under the conditions expressed in the Bonds bearing even date herewith, the Contractor and Owner hereby agree as follows:

Scope of Work:

Contractor shall commence and complete the Work generally described as follows:

Installation of Concrete Barrier and Pavement Markings at Peek Rd and Other Locations  
Fort Bend Grand Parkway Toll Road, Segment D,  
for Fort Bend Grand Parkway Toll Road Authority,  
Fort Bend County, Texas,  
according to those particular Plans and Technical Specifications  
prepared by Brown & Gay Engineers, Inc. ("Engineer")

and all Extra Work in connection therewith, under the terms as stated in the General and Special Conditions of the Agreement, and, at Contractor's own proper cost and expense, to furnish all the materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, and other accessories and services necessary to complete the said Work, in accordance with the conditions and prices stated in the Bid attached hereto and in accordance with the Contract Documents, including, but not limited to, Invitation to Bidders, Instructions to Bidders, General and Special Conditions of the Agreement, Plans, and other drawings and printed or written explanatory matter thereof, and the Technical Specifications, on file with Engineer. Contractor represents and warrants to the Owner that it has carefully examined this Agreement and all other Contract Documents, which are made a part of the Contract, and is thoroughly familiar therewith.

Under this Agreement and the Contract Documents, Contractor shall furnish all materials, appliances, tools, equipment, transportation, services, and all labor and superintendence necessary for

the construction of the Work as described in the Technical Specifications and as shown on the Plans. The completed installation shall not lack any part that can be reasonably implied as necessary to its proper functioning or any subsidiary item that is customarily furnished, and Contractor shall deliver the installation to Owner in operating condition.

The Work, in general, under the Contract includes:

Installation of Concrete Barrier and Pavement Markings at Peck Rd and Other Locations

Time for Completion:

The Contractor hereby agrees to begin work within **10 calendar days** after Engineer has given written Notice to Proceed. Contractor hereby also agrees to achieve Final Completion of the Work within **30 calendar days** after the date of the written Notice to Proceed.

Surety Bonds Required:

It is further agreed by the parties to this Contract that Contractor will execute:

- a Payment Bond in the sum of 100% of the initial Contract Price, if the initial Contract Price is \$25,000 or more

AND

- a Performance Bond in the sum of 100% of the initial Contract Price, if the initial Contract Price is \$100,000 or more,

for the satisfactory performance of the Work, the fulfillment of any guarantees required, and the prompt payment to all persons supplying labor and materials in the prosecution of the Work, in accordance with this Contract on the forms provided for this purpose; and it is agreed that this Contract shall not be in effect until such Bonds are furnished and approved by Owner. Upon increase of the Contract Price authorized by Change Order, Contractor shall immediately provide revised Bonds for such increased Contract Price. Contractor's failure to provide compliant Bonds may be grounds for immediate termination regardless of whether the Contractor has started work on the Project.

All Bonds shall be in the form prescribed by the Contract Documents except as required otherwise by Laws or Regulations, and shall be executed by such sureties as are named in the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 370 (amended) by the Financial Management Service, Surety Bond Branch, U.S. Department of the Treasury. A certified copy of the agent's authority to act must accompany all Bonds signed by an agent. Surety must have a minimum Best's Key Rating of "B+". If the surety company does not have such a rating due to the length of time it has existed, the surety company must be eligible to participate in the surety bond guarantee program of the Small Business Administration and must be an approved surety listed in the current U.S. Department of Treasury Circular 570, and must meet all of the rules and regulations of the Treasury Department with respect to performance and payment bonds for federal jobs, including specifically the rules related to the underwriting limitation.

For bonds over \$100,000, the surety must also hold a certificate of authority from the United States Secretary of Treasury to qualify as a surety on obligations permitted or required under federal law, or have obtained reinsurance for any liability in excess of \$1,000,000 from a reinsurer that is authorized and admitted as a reinsurer in the State of Texas and is the holder of a certificate of authority from the United States Secretary of Treasury to qualify as a surety or reinsurer on obligations permitted or required under federal law. The person executing the Bonds must be a licensed Texas local recording agent and such licensing must be recorded in the files of the Texas Department of Insurance.

The person executing the Bonds must be authorized by the surety company to execute the Bonds on behalf of the company in the amount required for the contract and such authorization must be recorded in the files of the Texas Department of Insurance. The Contract shall not be in effect until such bonds have been provided by the Contractor and accepted by the Owner.

If the surety on any Bond furnished by Contractor is declared bankrupt, becomes insolvent, its right to do business is terminated in any state where any part of the Project is located, or it ceases to meet the requirements herein Contractor shall promptly notify Contractor, Owner and Engineer and shall, within 10 calendar days after the event giving rise to such notification, provide another Bond and surety to fulfill the required obligations.

Contract Price:

The Contract Price for this Work is one hundred thirty-three thousand, four hundred six dollars (\$ 133,406.00 ). The initial Contract Price may increase or decrease due to Change Orders and the Contract Price Adjustment as provided by the Contract Documents.

Owner agrees to pay Contractor's invoices for work performed, in accordance with the terms of the Contract Documents, in an aggregate amount not to exceed the Contract Price, plus Change Orders and Extra Work approved by the Board of Directors of the Owner. Failure by Owner to make such payments to the Contractor shall constitute a default by Owner and shall entitle the Contractor to all rights and remedies arising under the Contract Documents for a default in payment of sums due.

Contractor and Owner agree that time is of the essence of this Contract. Therefore, Contractor and Owner agree that for each and every calendar day the Work or any portion thereof shall remain incomplete after the expiration of the time limits set in the Contract, or as extended under the provisions of the Contract Documents the Contract Price will decrease by \$500.00 for Final Completion ("Contract Price Adjustment"). The Owner shall have the option to deduct and withhold said amount from any monies that the Owner owes the Contractor or its sureties or to recover such amount from the Contractor or the sureties on the Contractor's performance bond.

IN WITNESS WHEREOF, the parties to these presents have executed this Agreement in the year and day first above written.

FORT BEND GRAND PARKWAY TOLL  
ROAD AUTHORITY

Owner

By: 

Name: James D. Condrey, DCS

Title: Chairman

Contractor: NBG Constructors, Inc.

By: 

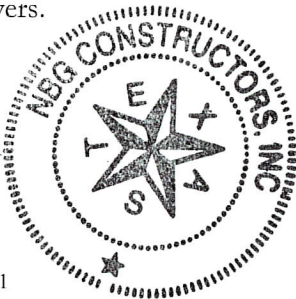
Name: Mike Westering

Title: Vice-President

(The following to be executed if Contractor is a Corporation)

I, Sharon Boehm certify that I am the secretary of the Corporation named as Contractor herein; that Mike Westering, who signed this Contract on behalf of Contractor, was then Vice President of said Corporation; that said Contract was duly signed for and on behalf of said Corporation by authority of its governing body and is within the scope of its corporate powers.

Corporate Seal:



4811-5798-0448, v. 1

Signed: Sharon Boehm

**EFFECTIVE DATE**

THIS AGREEMENT IS EFFECTIVE ON THE DATE IT IS APPROVED BY THE FORT BEND COUNTY COMMISSIONERS COURT, AND IF NOT SO APPROVED SHALL BE NULL AND VOID.

DATE OF COMMISSIONERS COURT APPROVAL: \_\_\_\_\_

AGENDA ITEM NO.: \_\_\_\_\_

# CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

## OFFICE USE ONLY CERTIFICATION OF FILING

**1 Name of business entity filing form, and the city, state and country of the business entity's place of business.**  
NBG Constructors, Inc.  
Houston, TX United States

Certificate Number:  
2016-10540

Date Filed:  
02/08/2016

**2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.**  
Fort Bend Parkway Toll Road Authority

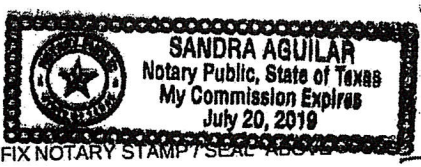
Date Acknowledged:  
*2.16.16 AC*

**3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.**  
Project No. GPD-015  
concrete barrier

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

**5 Check only if there is NO Interested Party.**

**6 AFFIDAVIT** I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



*[Signature]*  
Signature of authorized agent of contracting business entity

Sworn to and subscribed before me, by the said David Boehm, this the 8<sup>th</sup> day of February, 2016, to certify which, witness my hand and seal of office.

*[Signature]* Signature of officer administering oath  
Sandra Aguilar Printed name of officer administering oath  
Notary Public Title of officer administering oath

# CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
 Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY  
 CERTIFICATION OF FILING**

Certificate Number:  
 2016-10540

Date Filed:  
 02/08/2016

Date Acknowledged:  
 02/16/2016

**1 Name of business entity filing form, and the city, state and country of the business entity's place of business.**

NBG Constructors, Inc.  
 Houston, TX United States

**2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.**

Fort Bend Parkway Toll Road Authority

**3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.**

Project No. GPD-015  
 concrete barrier

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party.

6 AFFIDAVIT I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.

\_\_\_\_\_  
 Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said \_\_\_\_\_, this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, to certify which, witness my hand and seal of office.

\_\_\_\_\_  
 Signature of officer administering oath      Printed name of officer administering oath      Title of officer administering oath

**PERFORMANCE BOND**

**Bond No. 58S207288**

STATE OF TEXAS

Contract Date \_\_\_\_\_

COUNTY OF Harris

Date Bond Executed \_\_\_\_\_

PRINCIPAL NBG Constructors, Inc.

SURETY Liberty Mutual Insurance Company

OWNER Fort Bend Grand Parkway Toll Road Authority

PENAL SUM OF BOND (in words and figures) One Hundred Thirty Three Thousand Four Hundred Six Dollars and 00/100 (\$133,406.00)

being 100 percent of the Contract Price.

CONTRACT for Installation of Concrete Barrier and Pavement Markings at Peek Rd and Other Locations Fort Bend Grand Parkway Toll Road, Segment D, for Fort Bend Grand Parkway Toll Road Authority, Fort Bend County, Texas (the "Contract").

KNOW ALL PERSONS BY THESE PRESENTS, that we, Principal and Surety above named, are held and firmly bound unto Owner, its successors and assigns, in the penal sum of the amount stated above, for the payment of which sum well and truly to be made, we bind ourselves and our respective heirs, executors, administrators, officers, directors, shareholders, partners, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal entered into that certain Contract with Owner, dated the same date as this bond, which Contract is expressly incorporated herein for all purposes.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION IS SUCH, that if Principal well and truly performs the work in accordance with the plans, specifications and any other contract documents, during the original term of the Contract and any extensions thereof that may be granted by Owner, with or without notice to Surety, and during the life of any guaranty or warranty required under the Contract, then this obligation is void; otherwise it is to remain in full force and effect. Should the Principal fail to faithfully and strictly perform the work as required by the Contract in all its terms, the Surety will be liable for all damages, losses, expenses and liabilities that the Owner may suffer in consequence thereof.

This bond is given in compliance with the provisions of Chapter 2253 of the Texas Government Code, as amended, which is incorporated herein by this reference. However, all of the express provisions contained herein and in the Contract are applicable whether or not within the scope of said statute.

Surety hereby agrees, for value received, that no change, extension of time, alteration or addition to the terms of the Contract or to work performed under the Contract, or to the plans, specifications or drawings accompanying the Contract, will in any way affect its obligations on this bond and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder.

The bound parties have executed this instrument pursuant to authority of their respective governing body, to be effective on the same date of the Contract.

NBG Constructors, Inc.  
PRINCIPAL  
By Mike Westering  
Name Mike Westering  
Title Vice President  
Address 9702 Synott Road  
Houston, Texas 77083

ATTEST  
By [Signature]  
Name Samuel Alexander  
Title Contract Administrator

(SEAL)



Liberty Mutual Insurance Company  
SURETY  
By [Signature]  
Name Jo Ann Parker  
Title Attorney-In-Fact

ATTEST  
By Laura E. Sudduth  
Name Laura E. Sudduth  
Title Witness

(SEAL)

Physical Address:  
13201 Northwest Freeway, Suite 810  
Houston, Texas 77040

Mailing Address:  
13201 Northwest Freeway, Suite 810  
Houston, Texas 77040

Telephone: 713-744-1762

Local Recording Agent Personal Identification Number:  
Jo Ann Parker - 1238909

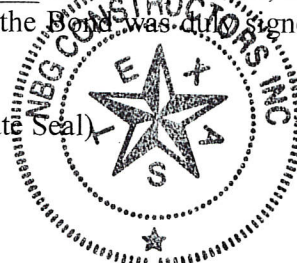
**Surety must attach its original Power of Attorney to this bond.**

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, Sharon Boehm, certify that I am the secretary of the corporation named as Principal in the Bond; that Mike Westering, who signed the bond on behalf of Principal, was then Vice President of the corporation; that I know his or her signature, and his or her signature is genuine; and that the Bond was duly signed for and on behalf of the corporation by authority of its governing body.

Sharon Boehm

(Corporate Seal)



**THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.**

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Certificate No. 7089652

American Fire and Casualty Company  
The Ohio Casualty Insurance Company

Liberty Mutual Insurance Company  
West American Insurance Company

**POWER OF ATTORNEY**

KNOWN ALL PERSONS BY THESE PRESENTS: That American Fire & Casualty Company and The Ohio Casualty Insurance Company are corporations duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Cynthia A. Peters; David A. Castillo; Jo Ann Parker; Judy M. Dold; Larry H. Senkel; Laura E. Sudduth; Mark H. Hilliard; Mary Ann Garcia

all of the city of Houston, state of TX each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 19th day of August, 2015.



American Fire and Casualty Company  
The Ohio Casualty Insurance Company  
Liberty Mutual Insurance Company  
West American Insurance Company

By: David M. Carey  
David M. Carey, Assistant Secretary

STATE OF PENNSYLVANIA ss  
COUNTY OF MONTGOMERY

On this 19th day of August, 2015, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of American Fire and Casualty Company, Liberty Mutual Insurance Company, The Ohio Casualty Insurance Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Teresa Pastella, Notary Public  
Plymouth Twp., Montgomery County  
My Commission Expires March 28, 2017  
Member, Pennsylvania Association of Notaries

By: Teresa Pastella  
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

**ARTICLE IV – OFFICERS** – Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

**ARTICLE XIII – Execution of Contracts – SECTION 5. Surety Bonds and Undertakings.** Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

**Certificate of Designation** – The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

**Authorization** – By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Gregory W. Davenport, the undersigned, Assistant Secretary, of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this \_\_\_\_\_ day of \_\_\_\_\_, 20 16.



By: Gregory W. Davenport  
Gregory W. Davenport, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.



TEXAS  
IMPORTANT NOTICE

To obtain information or make a complaint:

You may call toll-free for information or to make a complaint at  
1-877-751-2641

You may also write to:

Interchange Corporate Center  
450 Plymouth Road, Suite 400  
Plymouth Meeting, PA 79462-8284

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at  
1-800-252-3439

You may write the Texas Department of Insurance  
Consumer Protection (111-1A)  
P. O. Box 149091  
Austin, TX 78714-9091  
FAX: (512) 490-1007  
Web: <http://www.tdi.texas.gov>  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should first contact the agent or call 1-800-843-6446. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR  
POLICY:

This notice is for information only and does not become a part or condition of the attached document.

NP 70 68 09 01

TEXAS  
AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis para informacion o para someter una queja al  
1-877-751-2641

Usted tambien puede escribir a:

Interchange Corporate Center  
450 Plymouth Road, Suite 400  
Plymouth Meeting, PA 79462-8284

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al  
1-800-252-3439

Puede escribir al Departamento de Seguros de Texas Consumer Protection (111-1A)  
P. O. Box 149091  
Austin, TX 78714-9091  
FAX # (512) 490-1007  
Web: <http://www.tdi.texas.gov>  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el agente o primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI)

UNA ESTE AVISO A SU POLIZA:

Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

**FORT BEND GRAND PARKWAY  
TOLL ROAD AUTHORITY**

**PAYMENT BOND**

**PAYMENT BOND**

**Bond No. 58S207288**

STATE OF TEXAS Contract Date \_\_\_\_\_

COUNTY OF Harris \_\_\_\_\_ Date Bond Executed \_\_\_\_\_

PRINCIPAL NBG Constructors, Inc. \_\_\_\_\_

SURETY **Liberty Mutual Insurance Company** \_\_\_\_\_

OWNER Fort Bend Grand Parkway Toll Road Authority \_\_\_\_\_

PENAL SUM OF BOND (in words and figures) One Hundred Thirty Three Thousand Four Hundred Six & 00/100<sup>th</sup> Dollars (\$133,406.00), being 100 percent of the Contract Price.

CONTRACT for Installation of Concrete Barrier and Pavement Markings at Peek Rd and Other Locations Fort Bend Grand Parkway Toll Road, Segment D, for Fort Bend Grand Parkway Toll Road Authority, Fort Bend County, Texas (the "Contract").

KNOW ALL PERSONS BY THESE PRESENTS, that we, Principal and Surety above named, are held and firmly bound unto Owner, its successors and assigns, in the penal sum of the amount stated above, for the payment of which sum well and truly to be made, we bind ourselves and our respective heirs, executors, administrators, officers, directors, shareholders, partners, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal entered into the Contract with Owner, dated the same date as this bond, which Contract is incorporated herein for all purposes.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION IS SUCH, that if Principal shall promptly pay claimants for all labor, subcontracts, materials and specially fabricated materials performed or furnished under or by virtue of the Contract, and duly authorized modifications and normal and usual extras thereto, notice of which modifications to Surety being herby waived, then this obligation shall be void, otherwise to remain in full force and effect. Should Principal fail to promptly pay claimants for all labor, subcontracts, materials and specially fabricated material performed or furnished under or by virtue of the Contract, Surety is hereby bound to make such payments on behalf of Principal up to a total aggregate amount equal to the penal sum of the bond. Labor, subcontracts, materials, and specially fabricated materials shall be construed in accordance with Chapter 2253, Texas Government Code.

PROVIDED, HOWEVER, that Owner having required Principal to furnish this Bond in order to comply with the provisions of Chapter 2253, Texas Government Code, all rights and remedies on this Bond shall inure solely to such claimants and shall be determined in accordance with the provisions, conditions, and limitations of the aforesaid Government Code to the same extent as if they were copied at length herein.

The bound parties have executed this instrument pursuant to authority of their respective governing body, to be effective on the same date of the Contract.

**FORT BEND GRAND PARKWAY  
TOLL ROAD AUTHORITY**

**PAYMENT BOND**

NBG Constructors, Inc. \_\_\_\_\_  
PRINCIPAL

ATTEST

By Mike Westering \_\_\_\_\_

By [Signature] \_\_\_\_\_

Name Mike Westering \_\_\_\_\_

Name Candra Hauke \_\_\_\_\_

Title Vice President \_\_\_\_\_

Title Administrator \_\_\_\_\_

Address 9702 Synott Road \_\_\_\_\_

Houston, Texas 77083 \_\_\_\_\_

(SEAL)



Liberty Mutual Insurance Company \_\_\_\_\_  
SURETY

ATTEST

By [Signature] \_\_\_\_\_

By Laura E. Sudduth \_\_\_\_\_

Name Jo Ann Parker \_\_\_\_\_

Name Laura E. Sudduth \_\_\_\_\_

Title Attorney-In-Fact \_\_\_\_\_

Title Witness \_\_\_\_\_

(SEAL)

Physical Address:  
13201 Northwest Freeway, Suite 810 \_\_\_\_\_  
Houston, Texas 77040 \_\_\_\_\_

Mailing Address:  
13201 Northwest Freeway, Suite 810 \_\_\_\_\_  
Houston, Texas 77040 \_\_\_\_\_

Telephone: 713-744-1762 \_\_\_\_\_

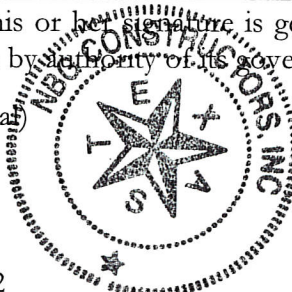
Local Recording Agent Personal Identification Number:  
Jo Ann Parker - 1238909 \_\_\_\_\_

**Surety must attach its original Power of Attorney to this bond.**

**CERTIFICATE AS TO CORPORATE PRINCIPAL**

I, Sharon Boehm, certify that I am the secretary of the corporation named as Principal in the Bond; that Mike Westering, who signed the bond on behalf of Principal, was then Vice President of the corporation; that I know his or her signature, and his or her signature is genuine; and that the Bond was duly signed for and on behalf of the corporation by authority of its governing body.

Sharon Boehm (Corporate Seal)



**THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.**

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Certificate No. 7089651

American Fire and Casualty Company  
The Ohio Casualty Insurance Company

Liberty Mutual Insurance Company  
West American Insurance Company

**POWER OF ATTORNEY**

KNOWN ALL PERSONS BY THESE PRESENTS: That American Fire & Casualty Company and The Ohio Casualty Insurance Company are corporations duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Cynthia A. Peters; David A. Castillo; Jo Ann Parker; Judy M. Dold; Larry H. Senkel; Laura E. Sudduth; Mark H. Hilliard; Mary Ann Garcia

all of the city of Houston, state of TX each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 19th day of August, 2015.



American Fire and Casualty Company  
The Ohio Casualty Insurance Company  
Liberty Mutual Insurance Company  
West American Insurance Company

By: David M. Carey  
David M. Carey, Assistant Secretary

STATE OF PENNSYLVANIA ss  
COUNTY OF MONTGOMERY

On this 19th day of August, 2015, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of American Fire and Casualty Company, Liberty Mutual Insurance Company, The Ohio Casualty Insurance Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Teresa Pastella, Notary Public  
Plymouth Twp., Montgomery County  
My Commission Expires March 28, 2017  
Member, Pennsylvania Association of Notaries

By: Teresa Pastella  
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

**ARTICLE IV – OFFICERS** – Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

**ARTICLE XIII – Execution of Contracts – SECTION 5. Surety Bonds and Undertakings.** Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

**Certificate of Designation** – The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

**Authorization** – By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Gregory W. Davenport, the undersigned, Assistant Secretary, of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this \_\_\_\_\_ day of \_\_\_\_\_, 20 16.



By: Gregory W. Davenport  
Gregory W. Davenport, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.



TEXAS  
IMPORTANT NOTICE

To obtain information or make a complaint:

You may call toll-free for information or to make a complaint at  
1-877-751-2641

You may also write to:

Interchange Corporate Center  
450 Plymouth Road, Suite 400  
Plymouth Meeting, PA 79462-8284

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at  
1-800-252-3439

You may write the Texas Department of Insurance  
Consumer Protection (111-1A)  
P. O. Box 149091  
Austin, TX 78714-9091  
FAX: (512) 490-1007  
Web: <http://www.tdi.texas.gov>  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should first contact the agent or call 1-800-843-6446. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR  
POLICY:

This notice is for information only and does not become a part or condition of the attached document.

TEXAS  
AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis para informacion o para someter una queja al  
1-877-751-2641

Usted tambien puede escribir a:

Interchange Corporate Center  
450 Plymouth Road, Suite 400  
Plymouth Meeting, PA 79462-8284

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al  
1-800-252-3439

Puede escribir al Departamento de Seguros de Texas Consumer Protection (111-1A)  
P. O. Box 149091  
Austin, TX 78714-9091  
FAX # (512) 490-1007  
Web: <http://www.tdi.texas.gov>  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el agente o primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI)

UNA ESTE AVISO A SU POLIZA:

Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.



## DESCRIPTIONS (Continued from Page 1)

that provides additional insured status to the certificate holder only when there is a written contract between the named insured and the certificate holder that requires such status. The General Liability, Workers Compensation and Automobile policies include a blanket automatic waiver of subrogation endorsement that provides this feature only when there is a written contract between the named insured and the certificate holder that requires it. The General Liability, Workers Compensation and Automobile policies include a blanket notice of cancellation to certificate holders endorsement, providing for 30 days advance notice if the policy is cancelled by the company other than for nonpayment of premium, 10 days notice after the policy is cancelled for nonpayment of premium. Notice is sent to certificate holders with mailing addresses on file with the agent or the company. The endorsement does not provide for notice of cancellation if the named insured requests cancellation. The General Liability and Auto Liability policies include endorsement containing primary and non-contributory wording. Umbrella is Follow Form over Primary Coverage's.

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

## **BUSINESS AUTO EXTENSION 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.

**GENERAL DESCRIPTION OF COVERAGE** – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- |   |   |
|---|---|
| <b>A. BROAD FORM NAMED INSURED</b>                                  | <b>H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT</b>  |
| <b>B. BLANKET ADDITIONAL INSURED</b>                                | <b>I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT</b> |
| <b>C. EMPLOYEE HIRED AUTO</b>                                       | <b>J. PERSONAL EFFECTS</b>  |
| <b>D. EMPLOYEES AS INSURED</b>                                      | <b>K. AIRBAGS</b>   |
| <b>E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS</b>                 | <b>L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS</b>                    |
| <b>F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS</b> | <b>M. BLANKET WAIVER OF SUBROGATION</b>                               |
| <b>G. WAIVER OF DEDUCTIBLE – GLASS</b>                              | <b>N. UNINTENTIONAL ERRORS OR OMISSIONS</b>                           |

### **PROVISIONS**

#### **A. BROAD FORM NAMED INSURED**

The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – LIABILITY COVERAGE**:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

#### **B. BLANKET ADDITIONAL INSURED**

The following is added to Paragraph **c. in A.1., Who Is An Insured**, of **SECTION II – LIABILITY COVERAGE**:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and

executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

#### **C. EMPLOYEE HIRED AUTO**

1. The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – LIABILITY COVERAGE**:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

COMMERCIAL AUTO

2. The following replaces Paragraph **b.** in **B.5., Other Insurance**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

**b.** For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

**D. EMPLOYEES AS INSURED**

The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – LIABILITY COVERAGE**:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

**E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS**

1. The following replaces Paragraph **A.2.a.(2)**, of **SECTION II – LIABILITY COVERAGE**:

(2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

2. The following replaces Paragraph **A.2.a.(4)**, of **SECTION II – LIABILITY COVERAGE**:

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

**F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS**

The following replaces Subparagraph **e.** in Paragraph **B.7., Policy Term, Coverage Territory**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

**e.** Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the

United States of America applies to and prohibits the transaction of business with or within such country or jurisdiction, for Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

(1) With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

(a) You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

(b) Neither you nor any other involved "insured" will make any settlement without our consent.

(c) We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

(d) We will reimburse the "insured":

(i) For sums that the "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, that the "insured" pays with our consent, but only up to the limit described in Paragraph **C., Limit Of Insurance**, of **SECTION II – LIABILITY COVERAGE**;

(ii) For the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph **C., Limit Of Insurance**, of **SECTION II – LIABILITY COVERAGE**,

and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

- (2) This insurance is excess over any valid and collectible other insurance available to the "insured" whether primary, excess contingent or on any other basis.
- (3) This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.  

You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.
- (4) It is understood that we are not an admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

**G. WAIVER OF DEDUCTIBLE – GLASS**

The following is added to Paragraph D., **Deductible**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

**H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT**

The following replaces the last sentence of Paragraph A.4.b., **Loss Of Use Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

However, the most we will pay for any expenses for loss of use is \$65 per day, to a maximum of \$750 for any one "accident".

**I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT**

The following replaces the first sentence in Paragraph A.4.a., **Transportation Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

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.

**J. PERSONAL EFFECTS**

The following is added to Paragraph A.4., **Coverage Extensions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

**Personal Effects**

We will pay up to \$400 for "loss" to wearing apparel and other personal effects which are:

- (1) Owned by an "insured"; and
- (2) In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Effects coverage.

**K. AIRBAGS**

The following is added to Paragraph B.3., **Exclusions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Exclusion 3.a. does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs A.1.b. and A.1.c., but only:

- a. If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;
- b. The airbags are not covered under any warranty; and
- c. The airbags were not intentionally inflated.

We will pay up to a maximum of \$1,000 for any one "loss".

**L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS**

The following is added to Paragraph A.2.a., of **SECTION IV – BUSINESS AUTO CONDITIONS**:

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

- (a) You (if you are an individual);

COMMERCIAL AUTO

- (b) A partner (if you are a partnership);
- (c) A member (if you are a limited liability company);
- (d) An executive officer, director or insurance manager (if you are a corporation or other organization); or
- (e) Any "employee" authorized by you to give notice of the "accident" or "loss".

**M. BLANKET WAIVER OF SUBROGATION**

The following replaces Paragraph A.5., **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

**5. Transfer Of Rights Of Recovery Against Others To Us**

We waive any right of recovery we may have against any person or organization to the ex-

tent required of you by a written contract signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.

**N. UNINTENTIONAL ERRORS OR OMISSIONS**

The following is added to Paragraph B.2., **Concealment, Misrepresentation, Or Fraud**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.



WORKERS' COMPENSATION AND EMPLOYERS  
LIABILITY INSURANCE POLICY

WC 42 06 01

TEXAS NOTICE OF MATERIAL CHANGE ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because Texas is shown in Item 3.A. of the Information Page.

In the event of cancellation or other material change of the policy, we will mail advance notice to the person or organization named in the Schedule. The number of days advance notice is shown in the Schedule.

This endorsement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

- 1. Number of days advance notice: 30
- 2. Notice will be mailed to:

PER LIST ON FILE

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.

(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)

This endorsement, effective on February 28, 2015 at 12:01 A.M. standard time, forms a part of

Policy No. [REDACTED] of the Texas Mutual Insurance Company

Issued to NBG CONSTRUCTORS INC

Premium \$ 0.00

Endorsement No. 1

Authorized Representative

\*\*  
\*\*  
\*\*

# COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE

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

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

The word "insured" means any person or organization qualifying as such under **SECTION II – WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V – DEFINITIONS**.

## SECTION I – COVERAGES

### COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY; and COVERAGE B. PERSONAL INJURY AND ADVERTISING INJURY LIABILITY.

#### 1. INSURING AGREEMENT.

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "applicable underlying limit" which the insured becomes legally obligated to pay as damages because of "bodily injury", "property damage", "personal injury" or "advertising injury" to which this insurance applies.

This insurance applies to "bodily injury" or "property damage" only if:

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

This insurance applies to "personal injury" or "advertising injury" caused by an "offense" committed during the policy period, anywhere in the world.

- b. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".
- c. "Property damage" that is loss of use of tangible property that is not physically injured shall be deemed to occur at the time of the "occurrence" that caused it.
- d. The amount we will pay for damages is limited as described in **SECTION III – LIMITS OF INSURANCE**.

The following provisions apply only with respect to Parts 1.a.(i), (ii) and (iii) above:

- 1. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of **Section II – Who Is An Insured** or any employee authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- 2. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of **SECTION II – WHO IS AN INSURED** or any employee authorized by you to give or receive notice of an "occurrence" or claim:
  - (a) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

## UMBRELLA

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

### 2. DEFENSE OF CLAIMS OR SUITS.

- a. We will have no duty to defend any claim or "suit" that any other insurer has a duty to defend. If we elect to join in the defense of such claims or "suits", we will pay all expenses we incur.
- b. We will have the right and duty to defend any "suit" for damages which are payable under Coverages **A** or **B** (including damages wholly or partly within the "retained limit") but which are not payable by a policy of "underlying insurance", or any other available insurance, because:
  - (1) Such damages are not covered; or
  - (2) The "underlying insurance" has been exhausted by the payment of claims.
- c. We may investigate and settle any claim or "suit" in **b.** above at our discretion.
- d. Our right and duty in **b.** above end when we have used up the "applicable limit of insurance" in the payment of judgments or settlements.
- e. We will pay, with respect to any claim or "suit" we defend in **b.** above:
  - (1) All expenses we incur.
  - (2) The cost of appeal bonds and bonds to release attachments, but only for bond amounts within the "applicable limit of insurance". We do not have to furnish these bonds.
  - (3) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
  - (4) All costs taxed against the insured in the "suit".
  - (5) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have:
    - (a) paid, or offered to pay; or

(b) deposited in court:

the part of the judgment that is within the "applicable limit of insurance".

- (6) Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the "applicable limit of insurance", we will not pay any prejudgment interest based on that period of time after the offer.

These payments will not reduce the limits of insurance.

In any jurisdiction outside the United States of America (including its territories and possessions), Puerto Rico or Canada where we may be prevented by law or some other factor beyond our control from carrying out the agreements under **1. INSURING AGREEMENT** or **2. DEFENSE OF CLAIMS OR SUITS** above:

- a. You must arrange to investigate, defend or settle any claim or "suit".
- b. You will not make any settlement without our consent.
- c. We will pay expenses incurred with our consent.

### 3. EXCLUSIONS.

This insurance does not apply to:

#### 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" resulting from the use of reasonable force to protect persons or property.

#### b. **"Advertising Injury" "Offenses"**

##### (1) **Breach of Contract**

"Advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in the course of advertising your goods, products or services.

##### (2) **Quality Or Performance Of Goods – Failure To Conform To Statements**

"Advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in the course of advertising your goods, products or services.

**(3) Wrong Description Of Prices**

"Advertising injury" arising out of the wrong description of the price of goods, products or services stated in the course of advertising your products, goods or services.

**c. Employment-Related Practices**

"Bodily injury" or "personal injury" to:

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

This exclusion applies whether the insured may be held liable as an employer or in any other capacity; and, to any obligation to share damages with or repay someone else who must pay damages because of the injury.

**d. Contractual Liability**

"Bodily injury", "property damage", "personal injury" or "advertising injury" for which the insured assumed liability under a contract or agreement. This exclusion does not apply to "bodily injury", "property damage", "personal injury" or "advertising injury" to which any policy of "underlying insurance" listed in the SCHEDULE OF UNDERLYING INSURANCE of the DECLARATIONS of this insurance, or any renewal or replacement thereof, applies or would apply but for the exhaustion of its limits of liability. Coverage provided will follow the same provisions, terms, definitions, exclusions, limitations and conditions of the policy(ies) of "underlying insurance" listed in the SCHEDULE OF UNDERLYING INSURANCE of the DECLARATIONS of this insurance.

**e. Workers Compensation And Similar Laws**

Any obligation of the insured under a workers compensation, disability benefits or unem-

ployment compensation law or any similar law.

**f. Pollution**

"Bodily injury", "property damage", "personal injury" or "advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants", or any loss, cost, expense or damages resulting therefrom, but this exclusion does not apply to "bodily injury", "property damage", "personal injury" or "advertising injury" to which any policy of "underlying insurance" listed in the SCHEDULE OF UNDERLYING INSURANCE of the DECLARATIONS of this insurance, or any renewal or replacement thereof, applies or would apply but for the exhaustion of its limits of liability. Coverage provided will follow the same provisions, terms, definitions, exclusions, limitations and conditions of the policy(ies) of "underlying insurance" listed in the SCHEDULE OF UNDERLYING INSURANCE of the DECLARATIONS of this insurance.

**g. Watercraft Or Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, operation, use, including loading or unloading, or entrustment to others of any watercraft or any aircraft.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) Liability assumed under any contract or agreement for the ownership, maintenance or use of a watercraft;
- (3) A watercraft over 50 feet in length which is chartered with crew by or on behalf of any insured;
- (4) A watercraft less than 50 feet long which you own; or
- (5) A watercraft less than 50 feet long which you do not own and is not being used to carry persons or property for a charge.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance,

use or entrustment to others of any watercraft or any aircraft that is owned or operated by or rented or loaned to any insured.

**h. "Personal Injury" Or "Advertising Injury" "Offenses"**

**(1) Knowing Violation Of Rights Of Another**

"Personal injury" or "advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal injury" or "advertising injury".

**(2) Material Published With Knowledge Of Falsity**

"Personal injury" or "advertising injury" arising out of oral, written or electronic publication of material, if done by or at the direction of the insured with knowledge of its falsity.

**(3) Material Published Prior To Policy Period**

"Personal injury" or "advertising injury" arising out of oral, written or electronic publication of material whose first publication took place before the beginning of the policy period. All "personal injury" or "advertising injury" arising out of publication of the same or similar material subsequent to the beginning of the policy period is also excluded.

**(4) Criminal Acts**

"Personal injury" or "advertising injury" arising out of a criminal act committed by or at the direction of the insured.

**(5) Contractual Liability**

"Personal injury" or "advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to "personal injury" or "advertising injury" to which any policy of "underlying insurance" listed in the SCHEDULE OF UNDERLYING INSURANCE of the DECLARATIONS of this insurance, or any renewal or replacement thereof, applies or would apply but for the exhaustion of its limits of liability. Coverage provided will follow the same provisions, terms, definitions, exclusions, limitations and conditions of the policy(ies) of

"underlying insurance" listed in the SCHEDULE OF UNDERLYING INSURANCE of the DECLARATIONS of this insurance.

**(6) Insureds In Media And Internet Type Businesses**

"Personal injury" or "advertising injury" committed by an insured whose business is:

- (1)** Advertising, broadcasting, publishing or telecasting;
- (2)** Designing or determining content of websites for others; or
- (3)** An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs a., b. and c. of the "personal injury" definition in **SECTION V – DEFINITIONS**.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**(7) Electronic Chatrooms Or Bulletin Boards**

"Personal injury" or "advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

**(8) Unauthorized Use Of Another's Name Or Product**

"Personal injury" or "advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

**i. Damage To Property**

"Property damage" to:

- (1)** Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

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

Paragraphs (1), (3) and (4) of this exclusion do not apply to "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.

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

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

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

**j. Damage To Your Product**

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

**k. Damage To Your Work**

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

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

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

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

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

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

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

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

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

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

**n. Uninsured Motorists, Underinsured Motorists, "Auto" No-Fault, Medical Expenses Benefits and Income Loss Benefits**

Any liability imposed on the insured, or the insured's insurer, under any of the following laws:

- (1) Uninsured Motorists;
- (2) Underinsured Motorists;
- (3) "Auto" No-Fault Laws or other first party personal injury laws; or
- (4) Medical Expense Benefits and Income Loss Benefits Laws of any applicable state or jurisdiction.

**o. Liquor Legal Liability**

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

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

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- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

This exclusion does not apply to "bodily injury" or "property damage" to which any policy of "underlying insurance" listed in the SCHEDULE OF UNDERLYING INSURANCE of the DECLARATIONS of this insurance, or any renewal or replacement thereof, applies or would apply but for the exhaustion of its limits of liability. Coverage provided will follow the same provisions, terms, definitions, exclusions, limitations and conditions of the policy(ies) of "underlying insurance" listed in the SCHEDULE OF UNDERLYING INSURANCE of the DECLARATIONS of this insurance.

### SECTION II – WHO IS AN INSURED.

1. If you are designated in the Declarations as:

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

2. Each of the following is also an insured:

- a. As respects the "auto hazard":
  - (1) Anyone using an "auto" you own, hire or borrow including any person or organization legally responsible for such use provided it is with your permission; and
  - (2) Any of your executive officers, directors, partners, employees or stockholders, operating an "auto" you do not own, hire or

borrow while it is being used in your business.

None of the following is an insured under (1) or (2) above:

- (a) Any person employed by or engaged in the duties of an auto sales agency, repair shop, service station, storage garage or public parking place that you do not operate;
  - (b) The owner or lessee of any "auto" hired by or for you or loaned to you, and any agent or employee of such owner or lessee.
- b. Except as respects the "auto hazard":
    - (1) Your executive officers, employees, directors or stockholders while acting within the scope of their duties; and
    - (2) Any person or organization while acting as real estate manager for you.
  - c. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will be deemed to be a Named Insured. However, coverage does not apply to:
    - (1) "Bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
    - (2) "Personal injury" or "advertising injury" arising out of an "offense" committed before you acquired or formed the organization.
  - d. Any person or organization having proper temporary custody of your property if you die, but only:
    - (1) With respect to liability arising out of the maintenance or use of that property; and
    - (2) Until your legal representative has been appointed.
  - e. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.
  - f. Any other person or organization insured under any policy of the "underlying insurance" listed in the SCHEDULE OF UNDERLYING INSURANCE of the DECLARATIONS of this insurance for whom you have agreed in a written contract executed prior to loss to provide insurance. This insurance is subject to all

the limitations upon coverage under such policy of "underlying insurance", and, the limits of insurance afforded to such person or organization will be:

- (i) The difference between the "underlying insurance" limits and the minimum limits of insurance which you agreed to provide; or
- (ii) The limits of insurance of this policy whichever is less.

If the minimum limits of insurance you agreed to provide such person or organization in a written contract are wholly within the "underlying insurance", this policy shall not apply.

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

No person is an insured as respects "bodily injury" to a fellow employee unless insurance for such liability is afforded by the "underlying insurance".

**SECTION III – LIMITS OF INSURANCE.**

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made or "suits" brought; or
  - c. Persons or organizations making claims or bringing "suits".
2. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of injury and damage included in the "products-completed operations hazard".
3. The General Aggregate Limit is the most we will pay for damages under Coverage **A** and Coverage **B**, except:
  - a. Damages because of injury and damage included in the "products-completed operations hazard"; and
  - b. Damages because of injury and damage included in the "auto hazard".
4. Subject to 3. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal injury" and all "advertising injury" sustained by any one person or organization.

Non cumulation of Personal and Advertising Injury Limit – If "personal injury" and/or "advertising injury" is sustained by any one person or organization during the policy period and during the policy period of one or more prior and/or future policies that include a **COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE** policy for the insured issued by us or any affiliated insurance company, the amount we will pay is limited. This policy's Personal and Advertising Injury Limit will be reduced by the amount of each payment made by us and any affiliated insurance company under the other policies because of such "personal injury" and/or "advertising injury".

5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of damages under Coverage **A** because of all "bodily injury" and "property damage" arising out of any one "occurrence".

Non cumulation of Each Occurrence Limit – If one "occurrence" causes "bodily injury" and/or "property damage" during the policy period and during the policy period of one or more prior and/or future policies that include a **COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE** policy for the insured issued by us or any affiliated insurance company, the amount we will pay is limited. This policy's Each Occurrence Limit will be reduced by the amount of each payment made by us and any affiliated insurance company under the other policies because of such "occurrence".

To determine the limit of our liability, all "bodily injury" and "property damage" arising out of continuous or repeated exposure to the same general conditions shall be considered one "occurrence".

The limits of this insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months. The policy period begins with the effective date shown in the Declarations. If the policy period is extended after issuance for an additional period of less than 12 months, the additional period will be deemed part of the last preceding period.

**SECTION IV – CONDITIONS.**

1. **APPEALS.**
  - a. If the insured or the insured's "underlying insurer" elects not to appeal a judgment which exceeds the "applicable underlying limit", we may do so.
  - b. If we do, we will pay all costs of the appeal. We will also pay all costs on appeals related

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to the defense of the insured as provided in **SECTION 1, 2. DEFENSE OF CLAIMS OR SUITS**. These sums are in addition to the "applicable limit of insurance". In no event shall our liability for "ultimate net loss" exceed the "applicable limit of insurance".

### 2. BANKRUPTCY.

- a. Bankruptcy or insolvency of the insured or the insured's estate will not relieve us of our obligations under this insurance.
- b. Bankruptcy or insolvency of the "underlying insurer" will not relieve us of our obligations under this insurance.

However, this insurance will not replace the "underlying insurance" in event of bankruptcy or insolvency of the "underlying insurer". This insurance will apply as if the "underlying insurance" were in full effect.

### 3. CANCELLATION.

- a. You may cancel this insurance by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this insurance by mailing or delivering to you written notice of cancellation at least:
  - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- c. We will mail or deliver our notice to your last mailing address known to us.
- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this insurance is cancelled, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund will be pro rata less 10% of the pro rata unearned premium. The cancellation will be effective even if we have not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

### 4. CHANGES.

This contract contains all the agreements between you and us concerning the insurance afforded. No change can be made in the terms of

this insurance except with our consent. The terms of this insurance can be amended or waived only by endorsement issued by us and made a part of this insurance.

### 5. DUTIES IN THE EVENT OF OCCURRENCE OR OFFENSE, CLAIM OR SUIT.

- a. You must see to it that we are notified promptly of an "occurrence" or an "offense" which may result in a claim under this insurance. Notice should include:
  - (1) How, when and where the "occurrence" or "offense" took place; and
  - (2) The names and addresses of any injured persons and witnesses.
- b. If a claim is made or "suit" is brought against any insured which may result in a claim against this insurance, you must see to it that we receive prompt written notice of the claim or "suit".
- c. The insured must:
  - (1) Cooperate with the "underlying insurers";
  - (2) Comply with the terms of the "underlying insurance"; and
  - (3) Pursue all rights of contribution or indemnity against any person or organization who may be liable to the insured because of "bodily injury", "property damage", "personal injury" or "advertising injury" with respect to which insurance is provided under this or any policy of "underlying insurance".
- d. When we believe that a claim may exceed the "underlying insurance", we may join with the insured and the "underlying insurer" in the investigation, settlement and defense of all claims and "suits" in connection with such "occurrence" or "offense". In such event, the insured must cooperate with us.

### 6. EXAMINATION OF YOUR BOOKS AND RECORDS.

We may examine and audit your books and records as they relate to this insurance:

- a. At any time during the policy period;
- b. Up to three years afterward; or
- c. Within one year after final settlement of all claims under this insurance.

### 7. INSPECTIONS AND SURVEYS.

We have the right but are not obligated to:

- a. Make inspections and surveys at any time;
- b. Give you reports on the conditions we find; and
- c. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. We do not warrant that conditions are safe or healthful; or comply with laws, regulations, codes or standards.

**8. LEGAL ACTION AGAINST US.**

No person or organization has a right under this insurance:

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

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured. We will not be liable for damages that are not payable under the terms of this insurance; or are in excess of the "applicable limit of insurance".

An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

**9. MAINTENANCE OF UNDERLYING INSURANCE.**

The insurance afforded by each policy in the schedule of "underlying insurance" in the Declarations will be maintained for the full term of this insurance. This provision does not apply to the reduction of the aggregate limit or limits due to payment of judgments or settlements for "bodily injury", "personal injury", "property damage" or "advertising injury". As these policies expire, you will renew them at limits at least equal to the expiring limits of insurance.

If you fail to comply with the above, this insurance is not invalidated. However, in the event of a loss, we will pay only to the extent that we would have paid had you so complied.

You must give us a written notice of any change in the "underlying insurance" as respects:

- a. Coverage;

- b. Limits of insurance;
- c. Termination of any coverage; or
- d. Exhaustion of aggregate limits.

**10. OTHER INSURANCE.**

This insurance is excess over any other valid and collectible insurance whether such other insurance is stated to be primary, contributing, excess, contingent or otherwise. This provision does not apply to a policy bought specifically to apply in excess of this insurance.

**11. OUR RIGHT TO RECOVER FROM OTHERS.**

If we make a payment under this insurance, the insured will assist us and the "underlying insurer" in recovering what we paid by using the insured's rights of recovery. Reimbursement will be made in the following order:

- a. First, to any interest (including the insured) who has paid any amount in excess of the limits of this insurance;
- b. Next to us; and
- c. Then to any interest (including the insured and the "underlying insurer") as are entitled to claim the remainder, if any.

A different order may apply if agreed upon by all interests. Expenses incurred in the process of recovery will be divided among all interests according to the ratio of their respective recoveries.

**12. PREMIUM.**

- a. You are responsible for the payment of all premiums and will be the payee for any return premiums.
- b. If the premium is a flat charge, it is not subject to adjustment except as provided in **d.** below.
- c. If the premium is other than a flat charge, it is an advance premium only. The earned premium will be computed at the end of each year in which this insurance is in force at the rate shown in the Declarations, subject to the Minimum Annual Premium.
- d. Additional premium may become payable when coverage is provided for additional insureds and named insureds under the provisions of **SECTION II – 2.c.** and **f.**

**13. PREMIUM AUDIT.**

- a. You must keep records of the information we need for premium computation, and send us copies at such times as we may request.

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- b. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured.
- c. The due date for audit and retrospective premiums is the date as shown as the due date on the bill.
- d. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to you subject to the minimum premiums.

### 14. REPRESENTATION.

By accepting this insurance, you agree:

- a. The statements in the Declarations and any subsequent notice relating to "underlying insurance" are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this insurance in reliance upon your representations.

### 15. SEPARATION OF INSURED.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned to you in this insurance, this insurance applies:

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

### 16. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS INSURANCE.

Your rights and duties under this insurance may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

### 17. WHEN LOSS IS PAYABLE.

If we are liable under this insurance, we will pay for "ultimate net loss" after:

- a. (1) The insured's liability is established by court decision; or
- (2) There is a written agreement between the claimant, the insured, any "underlying insurer" and us; and

- b. The amount of the "applicable underlying limit" is paid by or on behalf of the insured.

We will pay all claims within thirty days provided all terms of this insurance are met.

The insured will reimburse us for any payment we make for damages which are within the "retained limit".

### 18. TITLES OF PARAGRAPHS.

The titles of paragraphs of this policy and any endorsements attached to this policy are inserted solely for convenience of reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

### 19. CURRENCY

Loss payments and expense reimbursements will be in the same currency as the currency of the Limits of Insurance stated in the Declarations. At our sole option, we may agree to pay loss or reimburse expense under this policy in another currency. Any necessary currency conversion shall be calculated based on the rate of exchange published in the next Wall Street Journal subsequent to the date of judgment, settlement or agreement.

## SECTION V – DEFINITIONS.

- 1. "Advertising injury" means injury arising out of one or more of the following "offenses":

- a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services provided that claim is made or "suit" is brought by a person or organization that claims to have been slandered or libeled, or whose goods, products or services have allegedly been disparaged;
- b. Oral or written publication of material that appropriates a person's likeness, unreasonably places a person in a false light or gives unreasonable publicity to a person's private life; or
- c. Infringement of copyright, title or slogan, provided that claim is made or "suit" is brought by a person or organization claiming ownership of such copyright, title or slogan.

Such "offenses" must be committed in the course of advertising your goods or products.

- 2. "Applicable limit of insurance" means the maximum amount we will pay as damages in accor-

dance with **SECTION III – LIMITS OF INSURANCE.**

3. "Applicable underlying limit" means:
- a. If the policies of "underlying insurance" apply to the "occurrence" or "offense", the greater of:
    - (1) The amount of insurance stated in the policies of "underlying insurance" in the Declarations or any other available insurance less the amount by which any aggregate limit so stated has been reduced solely due to payment of claims; or
    - (2) The "retained limit" shown in the Declarations; or
  - b. If the policies of "underlying insurance" do not apply to the "occurrence" or "offense", the amount stated in the Declarations as the "retained limit".

The limits of insurance in any policy of "underlying insurance" will apply even if:

- (i) The "underlying insurer" claims the insured failed to comply with any condition of the policy; or
  - (ii) The "underlying insurer" becomes bankrupt or insolvent.
4. "Auto" means a land motor vehicle, trailer or semi-trailer.
5. "Auto hazard" means all "bodily injury" and "property damage" for which liability insurance is afforded under the terms, other than limits of insurance, of the auto policy of "underlying insurance".
6. "Bodily injury" means bodily injury, shock, fright, mental injury, disability, mental anguish, humiliation, sickness or disease sustained by a person, including death resulting from any of these at any time.
7. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work"; or your fulfilling the terms of the contract or agreement.

8. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
9. "Offense" means any of the offenses listed in the definition of "personal injury" or "advertising injury".
10. "Personal injury" means injury, other than "bodily injury", arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor, provided that the wrongful eviction, wrongful entry or invasion of the right of private occupancy is performed by or on behalf of the owner, landlord or lessor of that room, dwelling or premises;
  - d. Oral, written or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that claim is made or "suit" is brought by a person or organization that claims to have been slandered or libeled, or whose goods, products or services have allegedly been disparaged; or
  - e. Oral, written or electronic publication of material that appropriates a person's likeness, unreasonably places a person in a false light or gives unreasonable publicity to a person's private life.

Such "offenses" must arise out of the conduct of your business, excluding advertising, publishing, broadcasting or telecasting done by or for you.

11. "Pollutants" means one or more solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.
12. a. "Products-completed operations hazard" includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
- (1) Products that are still in your physical possession; or

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(2) Work that has not yet been completed or abandoned.

b. "Your work" will be deemed completed at the earliest of the following times:

(1) When all of the work called for in your contract has been completed.

(2) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

c. "Products-completed operations hazard" does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the loading or unloading of that vehicle by any insured; or

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

13. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

"Property damage" does not include "electronic media and records".

As used in this definition, "electronic media and records" means:

(1) Electronic data processing, recording or storage media such as films, tapes, discs, drums or cells;

(2) Data stored on such media; or

(3) Programming records for electronic data processing or electronically controlled equipment.

14. "Retained limit" is the sum stated in the Declarations as such. If the policies of "underlying insurance" do not apply to the "occurrence" or "offense", the insured shall retain this amount as self insurance with respect to:

a. "Bodily injury" or "property damage" caused by each "occurrence"; or

b. "Personal injury" or "advertising injury" sustained by any one person or organization and caused by an "offense".

15. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage", "personal injury" or "advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding alleging such damages to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

16. "Ultimate net loss" means the sum actually paid or payable due to a claim for which the insured is liable either by a settlement to which we agreed or a final judgment. Such sum will include proper adjustments for recoveries and salvage.

17. "Underlying insurance" means the policies listed in the Schedule of Underlying Insurance and includes:

a. Any renewal or replacement of such policies; and

b. Any other insurance available to the insured.

18. "Underlying insurer" means any insurer which provides a policy listed in the Schedule of Underlying Insurance or any other insurance available to the insured.

19. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

- (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b. Includes:
  - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
  - (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

20. "Your work":

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

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

## **BLANKET ADDITIONAL INSURED (CONTRACTORS)**

This endorsement modifies insurance provided under the following:  
COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. WHO IS AN INSURED - (Section II) is amended to include any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part. However, the person or organization is only an additional insured with respect to liability for "bodily injury", "property damage" or "personal injury" and as described in Paragraph a), b) or c) below, whichever applies:

- a) If the "written contract requiring insurance" specifically requires you to provide additional insured coverage to that person or organization by the use of:
  - i. The Additional Insured - Owners, Lessees or Contractors - (Form B) endorsement CG 2010 11 85; or
  - ii. The Additional Insured - Owners, Lessees or Contractors - Scheduled Person Or Organization endorsement CG 2010 10 01 and the Additional Insured - Owners, Lessees or Contractors - Completed Operations endorsement CG 2037 10 01;

the person or organization is an additional insured only if the injury or damage arises out of "your work" to which the "written contract requiring insurance" applies.

- b) If the "written contract requiring insurance" specifically requires you to provide additional insured coverage to that person or organization by the use of:
  - i. The Additional Insured - Owners, Lessees or Contractors - Scheduled Person or Organization endorsement CG 2010 07 04 and the Additional Insured - Owners, Lessees or Contractors - Completed Operations endorsement CG 2037 07 04; or
  - ii. The Additional Insured - Owners, Lessees or Contractors - Scheduled Person Or Organization endorsement CG 2010 and the Additional Insured - Owners,

Lessees or Contractors - Completed Operations endorsement CG 2037, without an edition of such endorsements specified;

the person or organization is an additional insured only if the injury or damage is caused, in whole or in part, by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies.

- c) If neither Paragraph a) nor b) above applies:
  - i. The person or organization is an additional insured only if, and to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies; and
  - ii. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.

2. The insurance provided to the additional insured by this endorsement is limited as follows:

- a) In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement shall not increase the limits of insurance described in Section III - Limits Of Insurance.
- b) The insurance provided to the additional insured does not apply to "bodily injury", "property damage" or "personal injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services, including:

COMMERCIAL GENERAL LIABILITY

- i. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and
    - ii. Supervisory, inspection, architectural or engineering activities.
  - c) The insurance provided to the additional insured does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured during the policy period.
3. The insurance provided to the additional insured by this endorsement is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover under this endorsement. However, if the "written contract requiring insurance" specifically requires that this insurance apply on a primary basis or a primary and non-contributory basis, this insurance is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured for such loss, and we will not share with that "other insurance". But the insurance provided to the additional insured by this endorsement still is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under such "other insurance".
4. As a condition of coverage provided to the additional insured by this endorsement:
  - a) The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:
    - i. How, when and where the "occurrence" or offense took place;
    - ii. The names and addresses of any injured persons and witnesses; and
    - iii. The nature and location of any injury or damage arising out of the "occurrence" or offense.
  - b) If a claim is made or "suit" is brought against the additional insured, the additional insured must:
    - i. Immediately record the specifics of the claim or "suit" and the date received; and
    - ii. Notify us as soon as practicable.The additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.
  - c) The additional insured must immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.
  - d) The additional insured must tender the defense and indemnity of any claim or "suit" to any provider of "other insurance" which would cover the additional insured for a loss we cover under this endorsement. However, this condition does not affect whether the insurance provided to the additional insured by this endorsement is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured as described in Paragraph 3. above.
5. The following definition is added to SECTION V. - DEFINITIONS:

"Written contract requiring insurance" means that part of any written contract or agreement under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs, and the "personal injury" is caused by an offense committed, during the policy period and:

  - a. After the signing and execution of the contract or agreement by you; and
  - b. While that part of the contract or agreement is in effect.



TEXAS WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because Texas is shown in Item 3.A. of the Information Page.

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, but this waiver applies only with respect to bodily injury arising out of the operations described in the Schedule where you are required by a written contract to obtain this waiver from us.

This endorsement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

The premium for this endorsement is shown in the Schedule.

Schedule

1. ( ) Specific Waiver  
Name of person or organization

( X ) Blanket Waiver  
Any person or organization for whom the Named Insured has agreed by written contract to furnish this waiver.

2. Operations: ALL TEXAS OPERATIONS

3. Premium

The premium charge for this endorsement shall be 2.00 percent of the premium developed on payroll in connection with work performed for the above person(s) or organization(s) arising out of the operations described.

4. Advance Premium INCLUDED, SEE INFORMATION PAGE.

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.

(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)

This endorsement, effective on February 28, 2015 at 12:01 A.M. standard time, forms a part of

Policy No. [REDACTED] of the Texas Mutual Insurance Company

Issued to NBG CONSTRUCTORS INC

Premium \$

Endorsement No.

Authorized Representative

WC420304A (ED. 1-01-2000)

AGENT'S COPY

QUSER

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

**AMENDMENT – POLLUTION EXCLUSION – INCLUDING  
LIMITED COVERAGE FOR POLLUTION COSTS –  
CONTRACTORS – TEXAS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**I. REVISED EXCLUSION F.**

Exclusion f. of COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages) is deleted and replaced by the following:

(This insurance does not apply to:)

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

(a) At or from any premises, site or location which is or was at any time owned or occupied or managed by, or rented or loaned to, any insured. However, this paragraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

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

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible;

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or

(e) If any such discharge, dispersal, seepage, migration, release or escape of "pollutants" at or from any premises, site or location commences in whole or in part before the policy period. All discharges, dispersals, seepages, migrations, releases or escapes of "pollutants" at or from any premises, site or location shall be deemed to commence at the time of the initial discharge, release or escape. However, subparagraph (e) does not apply to "bodily injury" or "property damage" included within the "Products-Completed Operations Hazard".

Subparagraphs (a), (b) and (c) do not apply to "bodily injury" or "property damage" if:

## COMMERCIAL GENERAL LIABILITY

- (1) the discharge, release or escape of "pollutants" is either:
    - i. at or from any premises, site or location, (other than at or from an "underground storage tank"), which is owned or occupied or managed by, or rented or loaned to you during the policy period; or;
    - ii. from a pipe containing sewage; and
  - (2) the discharge, release or escape of "pollutants" commences abruptly during the policy period and ends within a period of 7 consecutive days after the initial discharge, release or escape; and
  - (3) the discharge, release or escape of "pollutants" becomes known to the insured and reported in writing to us within thirty (30) days from its abrupt commencement; and
  - (4) the "bodily injury" or "property damage" arises only out of the discharge, release or escape of "pollutants" described in (1), (2) and (3) above.
- (2) (This insurance also does not apply to "Pollution costs".

### II. COVERAGE D. LIMITED COVERAGE FOR POLLUTION COSTS

#### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as "limited covered pollution costs" to which this insurance applies. We will have the right and duty to defend any "suit" seeking "limited covered pollution costs". We may at our discretion investigate any "occurrence" and settle any claim or "suit" that may result. But:
  - (1) The amount we will pay for "limited covered pollution costs" shall be included within, and not in addition to, the Each Occurrence Limit because of all "bodily injury" and "property damage" arising out of any one "occurrence". The total amount we will pay for "limited covered pollution costs" shall be included within, and not in addition to, the limits set forth

in LIMIT OF INSURANCE (Section III), paragraphs 2. and 3., whichever is applicable; and

- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B, medical expenses under Coverage C, or "limited covered pollution costs" under Coverage D.

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.

- b. This insurance applies to "limited covered pollution costs" only if:

- (1) The "limited covered pollution costs" result from an "occurrence" that takes place in the "coverage territory"; and
- (2) The same "occurrence" which results in "limited covered pollution costs" also causes "bodily injury" or "property damage" to which Coverage A applies.

#### 2. Exclusions

This insurance does not apply to:

- a. "Limited covered pollution costs" incurred by any person or organization other than the Named Insured shown in the Declarations.
- b. "Limited covered pollution costs" which the insured is obligated to pay by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability that the insured would have to pay "limited covered pollution costs" in the absence of the contract or agreement.
- c. "Limited covered pollution costs" if the "bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" is not covered under Coverage A.

#### 3. SUPPLEMENTARY PAYMENTS – COVERAGES A AND B is amended to read:

SUPPLEMENTARY PAYMENTS – COVERAGES A, B, AND D.

**III. ADDITIONAL DEFINITIONS**

The following shall be added to DEFINITIONS (Section V):

"Limited covered pollution costs" means any cost or expense arising out of:

- a. Any request, demand or order that the insured test for, monitor, cleanup, remove, contain, treat, detoxify or neutralize, or assess the effects of "pollutants"; or
- b. Any claim or "suit" by or on behalf of a governmental authority demanding that the insured test for, monitor, cleanup, remove, contain, treat, detoxify or neutralize, or assess the effects of "pollutants".

"Limited covered pollution costs" shall not include:

- i. Statutory or administrative fines or penalties administered by governmental entities; or
- ii. Salaries or benefits paid to your employees; or
- iii. Any cost or expense arising out of any request, demand or order that the insured test for, monitor, cleanup, remove, contain, treat, detoxify or neutralize, or assess the effects of "pollutants" situated on any premises, site or location which is or was at any time owned, occupied or managed by, or rented or loaned to you; or
- iv. Any cost or expense arising out of any claim or "suit" by or on behalf of a governmental authority demanding that the insured test for,

monitor, cleanup, remove, contain, treat, detoxify or neutralize, or assess the effects of "pollutants" situated on any premises, site or location which is or was at any time owned, occupied or managed by, rented or loaned to you.

"Pollution costs" means any cost or expense arising out of:

- a. Any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, cleanup, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants"; or
- b. Any claim or "suit" by or on behalf of a governmental authority because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

"Underground storage tank" means any one or combination of tanks (including pipes connected thereto), the volume of which (including the volume of underground pipes connected thereto) is 10% or more beneath the ground surface or otherwise covered with earthen materials. Underground pipes means all underground piping, including but not limited to valves, elbows, joints, flanges and flexible connectors attached to a tank system.

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

## CONTRACTORS XTEND ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**GENERAL DESCRIPTION OF COVERAGE** – Provisions A.-H. and J.-N. of this endorsement broaden coverage, and provision I. of this endorsement may limit coverage. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the **PROVISIONS** of this endorsement carefully to determine rights, duties, and what is and is not covered.

- |   |  |
|---|--|
| <p><b>A.</b> Broadened Named Insured</p> <p><b>B.</b> Extension of Coverage – Damage To Premises Rented To You</p> <ul style="list-style-type: none"><li>• Perils of fire, explosion, lightning, smoke, water</li><li>• Limit increased to \$300,000</li></ul> <p><b>C.</b> Blanket Waiver of Subrogation</p> <p><b>D.</b> Blanket Additional Insured – Managers or Lessors of Premises</p> <p><b>E.</b> Incidental Medical Malpractice</p> <p><b>F.</b> Extension of Coverage – Bodily Injury</p> <p><b>G.</b> Contractual Liability – Railroads</p> | <p><b>H.</b> Additional Insured – State or Political Subdivisions</p> <p><b>I.</b> Other Insurance Condition</p> <p><b>J.</b> Increased Supplementary Payments</p> <ul style="list-style-type: none"><li>• Cost of bail bonds increased to \$2,500</li><li>• Loss of earnings increased to \$500 per day</li></ul> <p><b>K.</b> Knowledge and Notice of Occurrence or Offense</p> <p><b>L.</b> Unintentional Omission</p> <p><b>M.</b> Personal Injury – Assumed by Contract</p> <p><b>N.</b> Blanket Additional Insured –Lessor of Leased Equipment</p> |
|---|--|

### PROVISIONS

#### A. BROADENED NAMED INSURED

1. The Named Insured in Item 1. of the Declarations is as follows:

The person or organization named in Item 1. of the Declarations and any organization, other than a partnership, joint venture or limited liability company, of which you maintain ownership or in which you maintain the majority interest on the effective date of the policy. However, coverage for any such additional organization will cease as of the date, if any, during the policy period, that you no longer maintain ownership of, or the majority interest in, such organization.

2. WHO IS AN INSURED (Section II) Item 4.a. is deleted and replaced by the following:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

3. This Provision A. does not apply to any person or organization for which coverage is excluded by endorsement.

#### B. EXTENSION OF COVERAGE – DAMAGE TO PREMISES RENTED TO YOU

1. The last paragraph of COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages) is deleted and replaced by the following:

Exclusions c. through n. do not apply to damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by:

- a. Fire;
- b. Explosion;
- c. Lightning;
- d. Smoke resulting from such fire, explosion, or lightning; or
- e. Water.

A separate limit of insurance applies to this coverage as described in Section III Limits Of Insurance.

COMMERCIAL GENERAL LIABILITY

2. This insurance does not apply to damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by:

- a. Rupture, bursting, or operation of pressure relief devices;
- b. Rupture or bursting due to expansion or swelling of the contents of any building or structure, caused by or resulting from water;
- c. Explosion of steam boilers, steam pipes, steam engines, or steam turbines.

3. Paragraph 6. of LIMITS OF INSURANCE (Section III) is deleted and 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 the sum of all damages because of "property damage" to any one premises while rented to you, or temporarily occupied by you with permission of the owner, caused by: fire; explosion; lightning; smoke resulting from such fire, explosion, or lightning; or water. The Damage To Premises Rented To You Limit will apply to all "property damage" proximately caused by the same "occurrence", whether such damage results from: fire; explosion; lightning; smoke resulting from such fire, explosion, or lightning; or water; or any combination of any of these causes.

The Damage To Premises Rented To You Limit will be the higher of:

- a. \$300,000; or
- b. The amount shown on the Declarations for Damage To Premises Rented To You Limit.

4. Paragraph a. of the definition of "insured contract" (DEFINITIONS – Section V) is deleted and replaced by the following:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by: fire; explosion; lightning; smoke resulting from such fire, explosion, or lightning; or water, is not an "insured contract";

5. This Provision B. does not apply if coverage for Damage To Premises Rented To You of COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages) is excluded by endorsement.

**C. BLANKET WAIVER OF SUBROGATION**

We waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of: premises owned or occupied by or rented or loaned to you; ongoing operations performed by you or on your behalf, done under a contract with that person or organization; "your work"; or "your products". We waive this right where you have agreed to do so as part of a written contract, executed by you before the "bodily injury" or "property damage" occurs or the "personal injury" or "advertising injury" offense is committed.

**D. BLANKET ADDITIONAL INSURED – MANAGERS OR LESSORS OF PREMISES**

WHO IS AN INSURED (Section II) is amended to include as an Insured any person or organization (referred to below as "additional insured") with whom you have agreed in a written contract, executed before the "bodily injury" or "property damage" occurs or the "personal injury" or "advertising injury" offense is committed, to name as an additional Insured, but only with respect to liability arising out of the ownership, maintenance or use of that part of any premises leased to you, subject to the following provisions:

- 1. Limits of Insurance. The limits of insurance afforded to the additional insured shall be the limits which you agreed to provide in the written contract, or the limits shown on the Declarations, whichever are less.
- 2. The insurance afforded to the additional insured does not apply to:
  - a. Any "bodily injury" or "property damage" that occurs, or "personal injury" or "advertising injury" caused by an offense which is committed, after you cease to be a tenant in that premises;
  - b. Any premises for which coverage is excluded by endorsement; or
  - c. Structural alterations, new construction or demolition operations performed by or on behalf of such additional insured.
- 3. The insurance afforded to the additional insured is excess over any valid and collectible

"other insurance" available to such additional insured, unless you have agreed in the written contract that this insurance must be primary to, or non-contributory with, such "other insurance".

**E. INCIDENTAL MEDICAL MALPRACTICE**

1. The following is added to paragraph 1. Insuring Agreement of COVERAGE A. – BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages):

"Bodily injury" arising out of the rendering of, or failure to render, the following will be deemed to be caused by an "occurrence":

- a. Medical, surgical, dental, laboratory, x-ray or nursing service, advice or instruction, or the related furnishing of food or beverages;
  - b. The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances;
  - c. First aid; or
  - d. "Good Samaritan services." As used in this Provision E., "Good Samaritan services" are those medical services rendered or provided in an emergency and for which no remuneration is demanded or received.
2. Paragraph 2.a.(1)(d) of WHO IS AN INSURED (Section II) does not apply to any registered nurse, licensed practical nurse, emergency medical technician or paramedic employed by you, but only while performing the services described in paragraph 1. above and while acting within the scope of their employment by you. Any "employees" rendering "Good Samaritan services" will be deemed to be acting within the scope of their employment by you.

3. The following exclusion is added to paragraph 2. Exclusions of COVERAGE A. – BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages):

(This insurance does not apply to:) "Bodily injury" or "property damage" arising out of the willful violation of a penal statute or ordinance relating to the sale of pharmaceuticals committed by or with the knowledge or consent of the insured.

4. For the purposes of determining the applicable limits of insurance, any act or omission

together with all related acts or omissions in the furnishing of the services described in paragraph 1. above to any one person will be deemed one "occurrence".

5. This Provision E. does not apply if you are in the business or occupation of providing any of the services described in paragraph 1. above.
6. The insurance provided by this Provision E. shall be excess over any valid and collectible "other insurance" available to the insured, whether primary, excess, contingent or on any other basis, except for insurance that you bought specifically to apply in excess of the Limits of Insurance shown on the Declarations of this Coverage Part.

**F. EXTENSION OF COVERAGE – BODILY INJURY**

The definition of "bodily injury" (DEFINITIONS – Section V) is deleted and replaced by the following:

"Bodily injury" means bodily injury, mental anguish, mental injury, shock, fright, disability, humiliation, sickness or disease sustained by a person, including death resulting from any of these at any time.

**G. CONTRACTUAL LIABILITY – RAILROADS**

1. Paragraph c. of the definition of "insured contract" (DEFINITIONS – Section V) is deleted and replaced by the following:
  - c. Any easement or license agreement;
2. Paragraph f.(1) of the definition of "insured contract" (DEFINITIONS – Section V) is deleted.

**H. ADDITIONAL INSURED – STATE OR POLITICAL SUBDIVISIONS – PERMITS**

WHO IS AN INSURED (Section II) is amended to include as an insured any state or political subdivision, subject to the following provisions:

1. This insurance applies only when required to be provided by you by an ordinance, law or building code and only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.
2. This insurance does not apply to:
  - a. "Bodily injury," "property damage," "personal injury" or "advertising injury" arising out of operations performed for the state or political subdivision; or

- b. "Bodily injury" or "property damage" included in the "products-completed operations hazard".

**I. OTHER INSURANCE CONDITION**

- A. COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV), paragraph 4. (Other Insurance) is deleted and replaced by the following:

**4. Other Insurance**

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

**a. Primary Insurance**

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the "other insurance" is also primary. Then, we will share with all that "other insurance" by the method described in c. below.

**b. Excess Insurance**

This insurance is excess over any of the "other insurance", whether primary, excess, contingent or on any other basis:

- (1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk, or similar coverage for "your work";
- (2) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
- (3) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
- (4) If the loss arises out of the maintenance or use of aircraft, "autos", or watercraft to the extent not subject to Exclusion g. of Section I - Coverage A - Bodily Injury And Property Damage Liability; or
- (5) That is available to the insured when the insured is an additional

Insured under any other policy, including any umbrella or excess policy.

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

When this insurance is excess over "other insurance", we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such "other insurance" would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under that "other insurance".

We will share the remaining loss, if any, with any "other insurance" that is not described in this Excess Insurance provision.

**c. Method Of Sharing**

If all of the "other insurance" permits contribution by equal shares, we will follow this method also. Under this approach each provider of insurance contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the "other insurance" does not permit contribution by equal shares, we will contribute by limits. Under this method, the share of each provider of insurance is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all providers of insurance.

- B. The following definition is added to DEFINITIONS (Section V):

"Other insurance":

- a. Means insurance, or the funding of losses, that is provided by, through or on behalf of:

- (1) Another insurance company;
- (2) Us or any of our affiliated insurance companies, except when the Non cumulation of Each Occurrence Limit section of Paragraph 5 of LIMITS OF INSURANCE (Section III) or the Non cumulation of Personal and Advertising Injury limit sections of Paragraph 4 of LIMITS OF INSURANCE (Section III) applies;
- (3) Any risk retention group;
- (4) Any self-insurance method or program, other than any funded by you and over which this Coverage Part applies; or
- (5) Any similar risk transfer or risk management method.

b. Does not include umbrella insurance, or excess insurance, that you bought specifically to apply in excess of the Limits of Insurance shown on the Declarations of this Coverage Part.

**J. INCREASED SUPPLEMENTARY PAYMENTS**

Paragraphs 1.b. and 1.d. of SUPPLEMENTARY PAYMENTS – COVERAGES A AND B (Section I – Coverages) are amended as follows:

1. In paragraph 1.b., the amount we will pay for the cost of bail bonds is increased to \$2500.
2. In paragraph 1.d., the amount we will pay for loss of earnings is increased to \$500 a day.

**K. KNOWLEDGE AND NOTICE OF OCCURRENCE OR OFFENSE**

1. The following is added to COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV), paragraph 2. (Duties In The Event of Occurrence, Offense, Claim or Suit):

Notice of an "occurrence" or of an offense which may result in a claim must be given as soon as practicable after knowledge of the "occurrence" or offense has been reported to you, one of your "executive officers" (if you are a corporation), one of your partners who is an individual (if you are a partnership), one of your managers (if you are a limited liability company), or an "employee" (such as an insurance, loss control or risk manager or administrator) designated by you to give such notice.

Knowledge by any other "employee" of an "occurrence" or offense does not imply that you also have such knowledge.

2. Notice of an "occurrence" or of an offense which may result in a claim will be deemed to be given as soon as practicable to us if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice of the "occurrence" or offense to us as soon as practicable after you, one of your "executive officers" (if you are a corporation), one of your partners who is an individual (if you are a partnership), one of your managers (if you are a limited liability company), or an "employee" (such as an insurance, loss control or risk manager or administrator) designated by you to give such notice discovers that the "occurrence" or offense may involve this policy.
3. This Provision K. does not apply as respects the specific number of days within which you are required to notify us in writing of the abrupt commencement of a discharge, release or escape of "pollutants" that causes "bodily injury" or "property damage" which may otherwise be covered under this policy.

**L. UNINTENTIONAL OMISSION**

The following is added to COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV), paragraph 6. (Representations):

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

**M. PERSONAL INJURY – ASSUMED BY CONTRACT**

1. The following is added to Exclusion e. (1) of Paragraph 2., Exclusions of Coverage B. Personal Injury, Advertising Injury, and Web Site Injury Liability of the Web XTEND Liability endorsement:

Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "personal injury" provided:

- (a) Liability to such party for, or for the cost of, that party's defense has also been as-

sumed in the same "insured contract";  
and

- (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.
2. Paragraph 2.d. of SUPPLEMENTARY PAYMENTS - COVERAGES A AND B (Section I - Coverages) is deleted and replaced by the following:
- d. The allegations in the "suit" and the information we know about the "occurrence" or offense are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
3. The third sentence of Paragraph 2 of SUPPLEMENTARY PAYMENTS - COVERAGES A AND B (Section I - Coverages) is deleted and replaced by the following:
- Notwithstanding the provisions of Paragraph 2.b.(2) of Section I - Coverage A - Bodily Injury And Property Damage Liability, or the provisions of Paragraph 2.e.(1) of Section I - Coverage B - Personal Injury, Advertising Injury And Web Site Injury Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage", or damages for "personal injury", and will not reduce the limits of insurance.
4. This provision M. does not apply if coverage for "personal injury" liability is excluded by endorsement.

**N. BLANKET ADDITIONAL INSURED - LESSOR OF LEASED EQUIPMENT**

WHO IS AN INSURED (Section II) is amended to include as an insured any person or organization (referred to below as "additional insured") with whom you have agreed in a written contract, executed before the "bodily injury" or "property damage" occurs or the "personal injury" or "advertising injury" offense is committed, to name as an additional insured, but only with respect to their liability for "bodily injury", "property damage", "personal injury" or "advertising injury" caused, in whole or in part, by your acts or omissions in the maintenance, operation or use of equipment leased to you by such additional insured, subject to the following provisions:

1. Limits of Insurance. The limits of insurance afforded to the additional insured shall be the limits which you agreed to provide in the written contract, or the limits shown on the Declarations, whichever are less.
2. The insurance afforded to the additional insured does not apply to any "bodily injury" or "property damage" that occurs, or "personal injury" or "advertising injury" caused by an offense which is committed, after the equipment lease expires.
3. The insurance afforded to the additional insured is excess over any valid and collectible "other insurance" available to such additional insured, unless you have agreed in the written contract that this insurance must be primary to, or non-contributory with, such "other insurance".

**LONGSHORE AND HARBOR WORKERS'  
COMPENSATION ACT COVERAGE ENDORSEMENT**

**IMPORTANT NOTICE!**

**THE INSURANCE PROVIDED BY THIS ENDORSEMENT IS LIMITED.**

This coverage applies only to persons under your contract of hire, whether express or implied, oral or written, and includes employees employed in the usual course and scope of your business who are directed by you temporarily to perform services outside the usual course and scope of your business. An employee who is injured while working in another jurisdiction or the employee's legal beneficiary is entitled to all rights and remedies if the injury would be compensable if it had occurred in this state and the employee has significant contacts with this state or the employment is principally located in this state. An employee has significant contacts with this state if the employee was hired or recruited in this state and the employee was injured not later than one year after the date of hire or has worked in this state for at least ten working days preceding the date of injury.

This endorsement applies only to work subject to the Longshore and Harbor Workers' Compensation Act in a state shown in the Schedule.

General Section C. Workers' Compensation Law is replaced by the following:

**C. Workers' Compensation Law**

Workers' Compensation law means the workers or workmen's compensation law and occupational disease law of each state or territory named in Item 3.A. of the Information Page and the Longshore and Harbor Workers' Compensation Act (33 USC Sections 901-950). It includes any amendments to those laws that are in effect during the policy period. It does not include any other federal workers or workmen's compensation law, other federal occupational disease law or the provisions of any law that provide nonoccupational disability benefits.

Part Two (Employers Liability Insurance), C. Exclusions., exclusion 8, does not apply to work subject to the Longshore and Harbor Workers' Compensation Act.

This endorsement does not apply to work subject to the Defense Base Act, the Outer Continental Shelf Lands Act, or the Nonappropriated Fund Instrumentalities Act.

**Schedule**

State  
TEXAS

Longshore and Harbor Workers'  
Compensation Act Coverage Percentage

62%

The rates for classifications with code numbers not followed by the letter "F" are rates for work not ordinarily subject to the Longshore and Harbor Workers' Compensation Act. If this policy covers work under such classifications, and if the work is subject to the Longshore and Harbor Workers' Compensation Act, those non-F classification rates will be increased by the Longshore and Harbor Workers' Compensation Act Coverage Percentage shown in the Schedule.

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.

(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)

This endorsement, effective on **February 28, 2015**

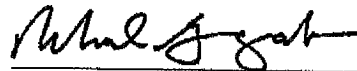
at 12:01 A.M. standard time, forms a part of

Policy No. [REDACTED] of the Texas Mutual Insurance Company

Issued to **NBG CONSTRUCTORS INC**

Endorsement No.

Premium \$



Authorized Representative

NBG Constructors, Inc.  
Policy [REDACTED]

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## COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE

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

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

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

### SECTION I - COVERAGES

**COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY; and COVERAGE B. PERSONAL INJURY AND ADVERTISING INJURY LIABILITY.**

#### 1. INSURING AGREEMENT.

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "applicable underlying limit" which the insured becomes legally obligated to pay as damages because of "bodily injury", "property damage", "personal injury" or "advertising injury" to which this insurance applies.

This insurance applies to "bodily injury" or "property damage" only if:

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

This insurance applies to "personal injury" or "advertising injury" caused by an "offense" committed during the policy period, anywhere in the world.

- b. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".
- c. "Property damage" that is loss of use of tangible property that is not physically injured shall be deemed to occur at the time of the "occurrence" that caused it.
- d. The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**.

The following provisions apply only with respect to Parts 1.a.(i), (ii) and (iii) above:

1. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of **Section II - Who Is An Insured** or any employee authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
2. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of **SECTION II - WHO IS AN INSURED** or any employee authorized by you to give or receive notice of an "occurrence" or claim:
- (a) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

## UMBRELLA

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

### 2. DEFENSE OF CLAIMS OR SUITS.

- a. We will have no duty to defend any claim or "suit" that any other insurer has a duty to defend. If we elect to join in the defense of such claims or "suits", we will pay all expenses we incur.
- b. We will have the right and duty to defend any "suit" for damages which are payable under Coverages A or B (including damages wholly or partly within the "retained limit") but which are not payable by a policy of "underlying insurance", or any other available insurance, because:
  - (1) Such damages are not covered; or
  - (2) The "underlying insurance" has been exhausted by the payment of claims.
- c. We may investigate and settle any claim or "suit" in b. above at our discretion.
- d. Our right and duty in b. above end when we have used up the "applicable limit of insurance" in the payment of judgments or settlements.
- e. We will pay, with respect to any claim or "suit" we defend in b. above:
  - (1) All expenses we incur.
  - (2) The cost of appeal bonds and bonds to release attachments, but only for bond amounts within the "applicable limit of insurance". We do not have to furnish these bonds.
  - (3) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
  - (4) All costs taxed against the insured in the "suit".
  - (5) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have:
    - (a) paid, or offered to pay; or

(b) deposited in court:

the part of the judgment that is within the "applicable limit of insurance".

- (6) Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the "applicable limit of insurance", we will not pay any prejudgment interest based on that period of time after the offer.

These payments will not reduce the limits of insurance.

In any jurisdiction outside the United States of America (including its territories and possessions), Puerto Rico or Canada where we may be prevented by law or some other factor beyond our control from carrying out the agreements under 1. **INSURING AGREEMENT** or 2. **DEFENSE OF CLAIMS OR SUITS** above:

- a. You must arrange to investigate, defend or settle any claim or "suit".
- b. You will not make any settlement without our consent.
- c. We will pay expenses incurred with our consent.

### 3. EXCLUSIONS.

This insurance does not apply to:

#### 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" resulting from the use of reasonable force to protect persons or property.

#### b. "Advertising Injury" "Offenses"

##### (1) Breach of Contract

"Advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in the course of advertising your goods, products or services.

##### (2) Quality Or Performance Of Goods - Failure To Conform To Statements

"Advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in the course of advertising your goods, products or services.



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use or entrustment to others of any watercraft or any aircraft that is owned or operated by or rented or loaned to any insured.

**h. "Personal Injury" Or "Advertising Injury" "Offenses"**

**(1) Knowing Violation Of Rights Of Another**

"Personal injury" or "advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal injury" or "advertising injury".

**(2) Material Published With Knowledge Of Falsity**

"Personal injury" or "advertising injury" arising out of oral, written or electronic publication of material, if done by or at the direction of the insured with knowledge of its falsity.

**(3) Material Published Prior To Policy Period**

"Personal injury" or "advertising injury" arising out of oral, written or electronic publication of material whose first publication took place before the beginning of the policy period. All "personal injury" or "advertising injury" arising out of publication of the same or similar material subsequent to the beginning of the policy period is also excluded.

**(4) Criminal Acts**

"Personal injury" or "advertising injury" arising out of a criminal act committed by or at the direction of the insured.

**(5) Contractual Liability**

"Personal injury" or "advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to "personal injury" or "advertising injury" to which any policy of "underlying insurance" listed in the SCHEDULE OF UNDERLYING INSURANCE of the DECLARATIONS of this insurance, or any renewal or replacement thereof, applies or would apply but for the exhaustion of its limits of liability. Coverage provided will follow the same provisions, terms, definitions, exclusions, limitations and conditions of the policy(ies) of

"underlying insurance" listed in the SCHEDULE OF UNDERLYING INSURANCE of the DECLARATIONS of this insurance.

**(6) Insureds In Media And Internet Type Businesses**

"Personal injury" or "advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of websites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs a., b. and c. of the "personal injury" definition in SECTION V - DEFINITIONS.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**(7) Electronic Chatrooms Or Bulletin Boards**

"Personal injury" or "advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

**(8) Unauthorized Use Of Another's Name Or Product**

"Personal injury" or "advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

**i. Damage To Property**

"Property damage" to:

- (1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

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

Paragraphs (1), (3) and (4) of this exclusion do not apply to "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.

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

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

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

**j. Damage To Your Product**

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

**k. Damage To Your Work**

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

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

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

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

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

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

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

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

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

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

**n. Uninsured Motorists, Underinsured Motorists, "Auto" No-Fault, Medical Expenses Benefits and Income Loss Benefits**

Any liability imposed on the insured, or the insured's insurer, under any of the following laws:

- (1) Uninsured Motorists;
- (2) Underinsured Motorists;
- (3) "Auto" No-Fault Laws or other first party personal injury laws; or
- (4) Medical Expense Benefits and Income Loss Benefits Laws of any applicable state or jurisdiction.

**o. Liquor Legal Liability**

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

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

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- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

This exclusion does not apply to "bodily injury" or "property damage" to which any policy of "underlying insurance" listed in the SCHEDULE OF UNDERLYING INSURANCE of the DECLARATIONS of this insurance, or any renewal or replacement thereof, applies or would apply but for the exhaustion of its limits of liability. Coverage provided will follow the same provisions, terms, definitions, exclusions, limitations and conditions of the policy(ies) of "underlying insurance" listed in the SCHEDULE OF UNDERLYING INSURANCE of the DECLARATIONS of this insurance.

### SECTION II - WHO IS AN INSURED.

1. If you are designated in the Declarations as:
  - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured.
  - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
  - a. As respects the "auto hazard":
    - (1) Anyone using an "auto" you own, hire or borrow including any person or organization legally responsible for such use provided it is with your permission; and
    - (2) Any of your executive officers, directors, partners, employees or stockholders, operating an "auto" you do not own, hire or borrow while it is being used in your business.
  - b. None of the following is an insured under (1) or (2) above:
    - (a) Any person employed by or engaged in the duties of an auto sales agency, repair shop, service station, storage garage or public parking place that you do not operate;
    - (b) The owner or lessee of any "auto" hired by or for you or loaned to you, and any agent or employee of such owner or lessee.
  - b. Except as respects the "auto hazard":
    - (1) Your executive officers, employees, directors or stockholders while acting within the scope of their duties; and
    - (2) Any person or organization while acting as real estate manager for you.
  - c. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will be deemed to be a Named Insured. However, coverage does not apply to:
    - (1) "Bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
    - (2) "Personal injury" or "advertising injury" arising out of an "offense" committed before you acquired or formed the organization.
  - d. Any person or organization having proper temporary custody of your property if you die, but only:
    - (1) With respect to liability arising out of the maintenance or use of that property; and
    - (2) Until your legal representative has been appointed.
  - e. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.
  - f. Any other person or organization insured under any policy of the "underlying insurance" listed in the SCHEDULE OF UNDERLYING INSURANCE of the DECLARATIONS of this insurance for whom you have agreed in a written contract executed prior to loss to provide insurance. This insurance is subject to all

the limitations upon coverage under such policy of "underlying insurance", and, the limits of insurance afforded to such person or organization will be:

- (i) The difference between the "underlying insurance" limits and the minimum limits of insurance which you agreed to provide; or
- (ii) The limits of insurance of this policy whichever is less.

If the minimum limits of insurance you agreed to provide such person or organization in a written contract are wholly within the "underlying insurance", this policy shall not apply.

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

No person is an insured as respects "bodily injury" to a fellow employee unless insurance for such liability is afforded by the "underlying insurance".

**SECTION III - LIMITS OF INSURANCE.**

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made or "suits" brought; or
  - c. Persons or organizations making claims or bringing "suits".
2. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of injury and damage included in the "products-completed operations hazard".
3. The General Aggregate Limit is the most we will pay for damages under Coverage A and Coverage B, except:
  - a. Damages because of injury and damage included in the "products-completed operations hazard"; and
  - b. Damages because of injury and damage included in the "auto hazard".
4. Subject to 3. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal injury" and all "advertising injury" sustained by any one person or organization.

Non cumulation of Personal and Advertising Injury Limit - If "personal injury" and/or "advertising injury" is sustained by any one person or organization during the policy period and during the policy period of one or more prior and/or future policies that include a **COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE** policy for the insured issued by us or any affiliated insurance company, the amount we will pay is limited. This policy's Personal and Advertising Injury Limit will be reduced by the amount of each payment made by us and any affiliated insurance company under the other policies because of such "personal injury" and/or "advertising injury".

- 5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of damages under Coverage A because of all "bodily injury" and "property damage" arising out of any one "occurrence".

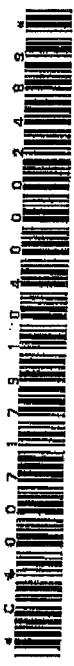
Non cumulation of Each Occurrence Limit - If one "occurrence" causes "bodily injury" and/or "property damage" during the policy period and during the policy period of one or more prior and/or future policies that include a **COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE** policy for the insured issued by us or any affiliated insurance company, the amount we will pay is limited. This policy's Each Occurrence Limit will be reduced by the amount of each payment made by us and any affiliated insurance company under the other policies because of such "occurrence".

To determine the limit of our liability, all "bodily injury" and "property damage" arising out of continuous or repeated exposure to the same general conditions shall be considered one "occurrence".

The limits of this insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months. The policy period begins with the effective date shown in the Declarations. If the policy period is extended after issuance for an additional period of less than 12 months, the additional period will be deemed part of the last preceding period.

**SECTION IV - CONDITIONS.**

1. **APPEALS.**
  - a. If the insured or the insured's "underlying insurer" elects not to appeal a judgment which exceeds the "applicable underlying limit", we may do so.
  - b. If we do, we will pay all costs of the appeal. We will also pay all costs on appeals related



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to the defense of the insured as provided in **SECTION 1, 2. DEFENSE OF CLAIMS OR SUITS**. These sums are in addition to the "applicable limit of insurance". In no event shall our liability for "ultimate net loss" exceed the "applicable limit of insurance".

### 2. BANKRUPTCY.

- a. Bankruptcy or insolvency of the insured or the insured's estate will not relieve us of our obligations under this insurance.
- b. Bankruptcy or insolvency of the "underlying insurer" will not relieve us of our obligations under this insurance.

However, this insurance will not replace the "underlying insurance" in event of bankruptcy or insolvency of the "underlying insurer". This insurance will apply as if the "underlying insurance" were in full effect.

### 3. CANCELLATION.

- a. You may cancel this insurance by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this insurance by mailing or delivering to you written notice of cancellation at least:
  - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- c. We will mail or deliver our notice to your last mailing address known to us.
- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this insurance is cancelled, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund will be pro rata less 10% of the pro rata unearned premium. The cancellation will be effective even if we have not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

### 4. CHANGES.

This contract contains all the agreements between you and us concerning the insurance afforded. No change can be made in the terms of

this insurance except with our consent. The terms of this insurance can be amended or waived only by endorsement issued by us and made a part of this insurance.

### 5. DUTIES IN THE EVENT OF OCCURRENCE OR OFFENSE, CLAIM OR SUIT.

- a. You must see to it that we are notified promptly of an "occurrence" or an "offense" which may result in a claim under this insurance. Notice should include:
  - (1) How, when and where the "occurrence" or "offense" took place; and
  - (2) The names and addresses of any injured persons and witnesses.
- b. If a claim is made or "suit" is brought against any insured which may result in a claim against this insurance, you must see to it that we receive prompt written notice of the claim or "suit".
- c. The insured must:
  - (1) Cooperate with the "underlying insurers";
  - (2) Comply with the terms of the "underlying insurance"; and
  - (3) Pursue all rights of contribution or indemnity against any person or organization who may be liable to the insured because of "bodily injury", "property damage", "personal injury" or "advertising injury" with respect to which insurance is provided under this or any policy of "underlying insurance".
- d. When we believe that a claim may exceed the "underlying insurance", we may join with the insured and the "underlying insurer" in the investigation, settlement and defense of all claims and "suits" in connection with such "occurrence" or "offense". In such event, the insured must cooperate with us.

### 6. EXAMINATION OF YOUR BOOKS AND RECORDS.

We may examine and audit your books and records as they relate to this insurance:

- a. At any time during the policy period;
- b. Up to three years afterward; or
- c. Within one year after final settlement of all claims under this insurance.

### 7. INSPECTIONS AND SURVEYS.

We have the right but are not obligated to:



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- b. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured.
- c. The due date for audit and retrospective premiums is the date as shown as the due date on the bill.
- d. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to you subject to the minimum premiums.

### 14. REPRESENTATION.

By accepting this insurance, you agree:

- a. The statements in the Declarations and any subsequent notice relating to "underlying insurance" are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this insurance in reliance upon your representations.

### 15. SEPARATION OF INSURED.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned to you in this insurance, this insurance applies:

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

### 16. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS INSURANCE.

Your rights and duties under this insurance may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

### 17. WHEN LOSS IS PAYABLE.

If we are liable under this insurance, we will pay for "ultimate net loss" after:

- a. (1) The insured's liability is established by court decision; or
- (2) There is a written agreement between the claimant, the insured, any "underlying insurer" and us; and

- b. The amount of the "applicable underlying limit" is paid by or on behalf of the insured.

We will pay all claims within thirty days provided all terms of this insurance are met.

The insured will reimburse us for any payment we make for damages which are within the "retained limit".

### 18. TITLES OF PARAGRAPHS.

The titles of paragraphs of this policy and any endorsements attached to this policy are inserted solely for convenience of reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

### 19. CURRENCY

Loss payments and expense reimbursements will be in the same currency as the currency of the Limits of Insurance stated in the Declarations. At our sole option, we may agree to pay loss or reimburse expense under this policy in another currency. Any necessary currency conversion shall be calculated based on the rate of exchange published in the next Wall Street Journal subsequent to the date of judgment, settlement or agreement.

## SECTION V - DEFINITIONS.

- 1. "Advertising injury" means injury arising out of one or more of the following "offenses":

- a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services provided that claim is made or "suit" is brought by a person or organization that claims to have been slandered or libeled, or whose goods, products or services have allegedly been disparaged;
- b. Oral or written publication of material that appropriates a person's likeness, unreasonably places a person in a false light or gives unreasonable publicity to a person's private life; or
- c. Infringement of copyright, title or slogan, provided that claim is made or "suit" is brought by a person or organization claiming ownership of such copyright, title or slogan.

Such "offenses" must be committed in the course of advertising your goods or products.

- 2. "Applicable limit of insurance" means the maximum amount we will pay, as damages in accor-

dance with **SECTION III - LIMITS OF INSURANCE.**

3. "Applicable underlying limit" means:

a. If the policies of "underlying insurance" apply to the "occurrence" or "offense", the greater of:

(1) The amount of insurance stated in the policies of "underlying insurance" in the Declarations or any other available insurance less the amount by which any aggregate limit so stated has been reduced solely due to payment of claims; or

(2) The "retained limit" shown in the Declarations; or

b. If the policies of "underlying insurance" do not apply to the "occurrence" or "offense", the amount stated in the Declarations as the "retained limit".

The limits of insurance in any policy of "underlying insurance" will apply even if:

(i) The "underlying insurer" claims the insured failed to comply with any condition of the policy; or

(ii) The "underlying insurer" becomes bankrupt or insolvent.

4. "Auto" means a land motor vehicle, trailer or semi-trailer.

5. "Auto hazard" means all "bodily injury" and "property damage" for which liability insurance is afforded under the terms, other than limits of insurance, of the auto policy of "underlying insurance".

6. "Bodily injury" means bodily injury, shock, fright, mental injury, disability, mental anguish, humiliation, sickness or disease sustained by a person, including death resulting from any of these at any time.

7. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work"; or your fulfilling the terms of the contract or agreement.

8. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

9. "Offense" means any of the offenses listed in the definition of "personal injury" or "advertising injury".

10. "Personal injury" means injury, other than "bodily injury", arising out of one or more of the following offenses:

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor, provided that the wrongful eviction, wrongful entry or invasion of the right of private occupancy is performed by or on behalf of the owner, landlord or lessor of that room, dwelling or premises;

d. Oral, written or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that claim is made or "suit" is brought by a person or organization that claims to have been slandered or libeled, or whose goods, products or services have allegedly been disparaged; or

e. Oral, written or electronic publication of material that appropriates a person's likeness, unreasonably places a person in a false light or gives unreasonable publicity to a person's private life.

Such "offenses" must arise out of the conduct of your business, excluding advertising, publishing, broadcasting or telecasting done by or for you.

11. "Pollutants" means one or more solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

12. a. "Products-completed operations hazard" includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

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- (2) Work that has not yet been completed or abandoned.
- b. "Your work" will be deemed completed at the earliest of the following times:
  - (1) When all of the work called for in your contract has been completed.
  - (2) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
  - (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

- c. "Products-completed operations hazard" does not include "bodily injury" or "property damage" arising out of:
  - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the loading or unloading of that vehicle by any insured; or
  - (2) The existence of tools, uninstalled equipment or abandoned or unused materials.

13. "Property damage" means:

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

"Property damage" does not include "electronic media and records".

As used in this definition, "electronic media and records" means:

- (1) Electronic data processing, recording or storage media such as films, tapes, discs, drums or cells;
- (2) Data stored on such media; or

- (3) Programming records for electronic data processing or electronically controlled equipment.

14. "Retained limit" is the sum stated in the Declarations as such. If the policies of "underlying insurance" do not apply to the "occurrence" or "offense", the insured shall retain this amount as self insurance with respect to:

- a. "Bodily injury" or "property damage" caused by each "occurrence"; or
- b. "Personal injury" or "advertising injury" sustained by any one person or organization and caused by an "offense".

15. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage", "personal injury" or "advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding alleging such damages to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

16. "Ultimate net loss" means the sum actually paid or payable due to a claim for which the insured is liable either by a settlement to which we agreed or a final judgment. Such sum will include proper adjustments for recoveries and salvage.

17. "Underlying insurance" means the policies listed in the Schedule of Underlying Insurance and includes:

- a. Any renewal or replacement of such policies; and
- b. Any other insurance available to the insured.

18. "Underlying insurer" means any insurer which provides a policy listed in the Schedule of Underlying Insurance or any other insurance available to the insured.

19. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

- (a) You;
- (b) Others trading under your name; or

- (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b. Includes:
  - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
  - (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

20. "Your work":

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



POLICY NUMBER: [REDACTED]

GENERAL PURPOSE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.  
DESIGNATED ENTITY - NOTICE OF  
CANCELLATION PROVIDED BY US

This endorsement modifies insurance provided under the following:  
ALL COVERAGE PARTS INCLUDED IN THIS POLICY

SCHEDULE

CANCELLATION: Number of Days Notice of Cancellation: 30

PERSON OR  
ORGANIZATION: ANY PERSON OR ORGANIZATION TO WHOM YOU HAVE AGREED IN A  
WRITTEN CONTRACT THAT NOTICE OF CANCELLATION OF THIS POLICY WILL BE GIVEN,  
BUT ONLY IF:

1. YOU SEND US A WRITTEN REQUEST TO PROVIDE SUCH NOTICE, INCLUDING THE NAME  
AND ADDRESS OF SUCH PERSON OR ORGANIZATION, AFTER THE FIRST NAMED INSURED  
RECEIVES NOTICE FROM US OF THE CANCELLATION OF THIS POLICY; AND

2. WE RECEIVE SUCH WRITTEN REQUEST AT LEAST 14 DAYS BEFORE THE BEGINNING OF  
THE APPLICABLE NUMBER OF DAYS SHOWN IN THIS SCHEDULE.

ADDRESS: THE ADDRESS FOR THAT PERSON OR ORGANIZATION INCLUDED IN SUCH  
WRITTEN REQUEST FROM YOU TO US.

THIS BID MUST BE SUBMITTED IN A SEALED BID ENVELOPE

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# **SPECIFICATIONS AND BID**

FOR

**INSTALLATION OF CONCRETE BARRIER AND  
PAVEMENT MARKINGS  
AT PEEK RD AND OTHER LOCATIONS**

**FORT BEND GRAND PARKWAY TOLL ROAD  
Segment D**

**FORT BEND GRAND PARKWAY  
TOLL ROAD AUTHORITY**

Notice To Bidder:

ALL BIDS ARE TO BE SUBMITTED TO THE FORT BEND  
GRAND PARKWAY TOLL ROAD AUTHORITY, C/O MIKE  
STONE ASSOCIATES, INC., 19875 SOUTHWEST FREEWAY,  
SUITE 270, SUGAR LAND, TEXAS, 77479 BY 2:00 P.M. ON  
TUESDAY, JANUARY 19, 2016.

BIDDER IS REQUIRED TO FILL IN INFORMATION BELOW:

NBG Constructors, Inc.

BIDDER (Company Name)

TOTAL AMOUNT OF BID \$ 133,406.00

**FORT BEND COUNTY, TEXAS**

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## SALES TAX EXEMPTION

### NOTICE TO CONTRACTORS

The Contractor's attention is directed to TEX. TAX CODE ANN. 151.311, which was amended by the Texas Legislature, effective October 1, 1993.

Under Section 151.311, as amended, tangible personal property purchased by a contractor for use in the performance of a contract for the improvement of real property for an organization such as Fort Bend Grand Parkway Toll Road Authority (FBGPTRA) is exempt from the payment of sales and use tax thereon when the property is incorporated into the realty in the performance of the contract. Building materials, etc., are exempt from tax if they are: (1) necessary and essential for the performance of the contract; and (2) completely consumed at the job site (i.e., after being used once for their intended purpose they are used up or destroyed). Items that can be re-used on other jobs are not tax exempt.

Services purchased by a contractor are also tax exempt, where: (1) the contract is for an improvement to real estate for an exempt organization; and (2) the contract expressly requires the specific service to be provided or purchased by the person performing the contract; or (3) the service is integral to the performance of the contract.

Machinery and equipment, including repair and replacement parts for the same, are not tax exempt when used in the performance of a contract for the improvement of real estate for FBGPTRA.

The Contractor should be aware that the Texas Comptroller of Public Accounts issues rules interpreting applicable provisions of the tax code from time to time. The rules should be consulted when answering specific questions. The Contractor can obtain additional information concerning the applicable sales and use tax, as well as sales tax permits and information regarding resale certificates, from the State Comptroller's Office, at (800) 252-5555.

FORT BEND GRAND PARKWAY TOLL ROAD AUTHORITY  
 FORT BEND GRAND PARKWAY (SH 00) - SEOMENT D  
 Installation of Concrete Barrier and Pavement Markings at Peek Rd and Other Locations

COUNTY: FORT BEND			PROPOSAL SHEET FBGPTRA		A U T H  U S E  O N L Y	
ALT.	TxDOT ITEM-NO.	DESC. CODE	UNIT BID PRICE ONLY, WRITTEN IN WORDS	UNIT	APPROX. QUANTITIES	
	500	6001	MOBILIZATION Twelve Thousand _____ DLRS. and Zero _____ CENTS	LS	1.00	
	502	6001	BARRICADES, SIGNS AND TRAFFIC HANDLING Three Thousand _____ DLRS. and Zero _____ CENTS	MO	2.00	
	512	9001	PORT CTB (FUR & INST) Forty Five _____ DLRS. and Zero _____ CENTS	LF	1680.00	
	545	6002	CRASH CUSH ATTEN (DES SOURCE) Twelve Thousand _____ DLRS. and Zero _____ CENTS	EA	2.00	
	644	6087	IN SM RD SN SUP&AM (INST SIGN ONLY) Four Hundred _____ DLRS. and Zero _____ CENTS	EA	2.00	
	644	6076	REMOVE SM RD SN SUP&AM Three Hundred Fifty _____ DLRS. and Zero _____ CENTS	EA	1.00	
	644	6078	REMOVE SM RD SN SUP&AM (SIGN ONLY) One Hundred _____ DLRS. and Zero _____ CENTS	EA	3.00	
	644	9001	IN SM RD SN SUP&AM (GROUND MOUNT) Five Hundred _____ DLRS. and Zero _____ CENTS	EA	2.00	

FORT BEND GRAND PARKWAY TOLL ROAD AUTHORITY  
 FORT BEND GRAND PARKWAY (SH 99) - SEGMENT D  
 Installation of Concrete Barrier and Pavement Markings at Peek Rd and Other Locations

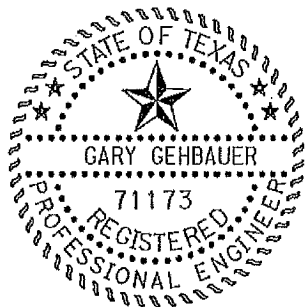
COUNTY: FORT BEND			PROPOSAL SHEET FBOPTRA	A U T H	U S E O N L Y
ALT.	TXDOT ITEM CODE ITEM NO.	DESC. CODE	UNIT BID PRICE ONLY, WRITTEN IN WORDS	UNIT	APPROX. QUANTITIES
	658	6026	INSTL DEL ASSM (D-SY)SZ (BRF)CTB  Five _____ DLRS. and Zero _____ CENTS	EA	96.00
	677	6002	ELIM EXT PAV MRK & MRKS (6")  One _____ DLRS. and Zero _____ CENTS	LF	70.00
	677	6003	ELIM EXT PAV MRK & MRKS (8")  One _____ DLRS. and Zero _____ CENTS	LF	390.00
	678	6002	PAV SURF PREP FOR MRK (6")  Zero _____ DLRS. and Twenty _____ CENTS	LF	1880.00
	6001	6001	PORTABLE CHANGEABLE MESSAGE SIGN  Fifty _____ DLRS. and No _____ CENTS	DAY	28.00
	6019	6014	PREFB PV MK WWNTY TY B (Y)(6")(SLD)  Three _____ DLRS. and Zero _____ CENTS	LF	1880.00

	F001		FORCE ACCOUNT - LAW ENFORCEMENT  FIVE THOUSAND _____ DLRS. and NO _____ CENTS	FA	1.00
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Highway Fort Bend Grand Parkway Toll Road  
Segment D: Installation of Concrete Barrier  
and Pavement Markings at Peek Rd and  
Other Locations  
County Fort Bend

The enclosed Texas Department of Transportation Specifications, Special Provisions, General Notes and Specification Data in this document have been selected by me, or under my responsible supervision, as being applicable to this project(s).

NOTE: For the purpose of constructing this Proposal and the attached form of Contract, the Texas Department of Transportation Standard Specifications for Construction of Highways, Streets and Bridges, as adopted by the Texas Department of Transportation on November 1, 2014, hereinafter referred to are approved and incorporated herein by reference for all purposes by the Fort Bend Grand Parkway Toll Road Authority as official specifications, together with and to be modified by the Special Provisions and Special Specifications as are listed herein.



  
Engineering Manager for the Authority  
Brown & Gay Engineers, Inc.

Date: 12-15-2015

**County:** Fort Bend

**Highway:** Fort Bend Grand Parkway Toll Road (SH 99)

**GENERAL NOTES:**

**General:**

Contractor is responsible for all tolls. The Authority will not provide reimbursement for any toll charges due to work on the toll road.

Notify the Engineer immediately if discrepancies are discovered in the horizontal control or the benchmark data.

References to manufacturer's trade name or catalog numbers are for the purpose of identification only. Similar materials from other manufacturers are permitted if they are of equal quality, comply with the specifications for this project, and are approved, except for roadway illumination, electrical, and traffic signal items.

Procure permits and licenses, which are to be issued by the City, County, or Municipal Utility District.

**General: Utilities**

If the Contractor damages or causes damage (breaks, leaks, nicks, dents, gouges, etc.) to the utility, contact the utility facility owner or operator immediately.

If overhead or underground power lines need to be de-energized, contact the electrical service provider to perform this work. Costs associated with de-energizing the power lines or other protective measures required are at no expense to the Authority.

If working near power lines, comply with the appropriate sections of Texas State Law and Federal Regulations relating to the type of work involved.

**Item 2: Instructions to Bidders**

Electronic bidding is not available for this project.

**Item 8: Prosecution and Progress**

The Lane Closure Assessment Fee is \$ 1,000.00. This fee applies to the Contractor for closures or obstructions that overlap into restricted hour traffic for each hour or portion thereof, per lane, regardless of the length of lane closure or obstruction. For Restricted Hours subject to Lane Assessment Fee refer to the Item, "Barricades, Signs, and Traffic Handling."

**Item 502: Barricades, Signs, and Traffic Handling**

Furnish and maintain the barricades and warning signs, including the necessary temporary and portable traffic control devices, during the various phases of construction. Place and construct these barricades and warning signs in accordance with the latest "Texas Manual on Uniform Traffic Control Devices" for typical construction layouts. Project limit signing is not required for this project.

**County:** Fort Bend

**Highway:** Fort Bend Grand Parkway Toll Road (SH 99)

Cover work zone signs when work related to the signs is not in progress, or when any hazard related to the signs no longer exists.

Keep the delineation devices, signs, and pavement markings clean. This work is subsidiary to the Item, "Barricades, Signs, and Traffic Handling."

Cover or remove the permanent signs and construction signs that are incorrect or that do not apply to the current situation for a particular phase.

Do not mount signs on drums or barricades, except those listed in the latest Barricades and Construction standard sheets.

Do not use traffic cones for channelizing devices.

Use shadow vehicles with Truck Mounted Attenuators (TMA) for lane and shoulder closures.

Do not reduce the existing number of lanes open to traffic except as shown on the following time schedule:

**One Lane Closure**

<b>Day</b>	<b>Daytime Closure Hours</b>	<b>Nighttime Closure Hours</b>	<b>Restricted Hours Subject to Lane Assessment Fee</b>
Monday	9:00 AM - 4:00 PM	Midnight - 5:00 AM 8:00 PM - Midnight	5:00 AM - 9:00 AM 4:00 PM - 8:00 PM
Tuesday	9:00 AM - 4:00 PM	Midnight - 5:00 AM 8:00 PM - Midnight	5:00 AM - 9:00 AM 4:00 PM - 8:00 PM
Wednesday	9:00 AM - 4:00 PM	Midnight - 5:00 AM 8:00 PM - Midnight	5:00 AM - 9:00 AM 4:00 PM - 8:00 PM
Thursday	9:00 AM - 4:00 PM	Midnight - 5:00 AM 8:00 PM - Midnight	5:00 AM - 9:00 AM 4:00 PM - 8:00 PM
Friday	9:00 AM - 4:00 PM	Midnight - 5:00 AM 8:00 PM - Midnight	5:00 AM - 9:00 AM 4:00 PM - 8:00 PM
Saturday	All hours	All hours	None
Sunday	All hours	All hours	None

The above times are approved for the traffic control conditions listed. The Engineer may approve other closure times if traffic counts warrant. The Engineer may reduce the above times for special events.

Law enforcement assistance will be required for this project and is expected to be required for major traffic control changes and lane closures. Coordinate with local law enforcement and arrange for law enforcement as directed or agreed by the Engineer. Before payment will be made, complete the "Daily Report on Law Enforcement Force Account Work" (Form 318), provided by the Authority and submit daily invoices that agree with this form for any day during the month in which approved services were provided.

**County:** Fort Bend

**Highway:** Fort Bend Grand Parkway Toll Road (SH 99)

Provide full-time, off-duty, uniformed, certified peace officers, as part of traffic control operations. The peace officers must be able to show proof of certification by the Texas Commission on Law Enforcement Officers Standards. The cost of the officers is paid for on a force account basis.

A minimum of 7 days in advance of any total closure, notify the Engineer of which roadways, ramps, intersections, or lanes will be closed, the dates they will remain closed, and when they will be opened again to traffic.

Provide 2 portable changeable message signs as shown on "Peek Rd Closure" sheet and the Special Specification Item, "Portable Changeable Message Sign."

**Item 504: Field Office and Laboratory**

A field office is not required for this project.

**Item 512: Portable Traffic Barrier**

Precast concrete safety barrier F-shape (CSB(1)-10), precast single slope concrete barrier (SSCB(2)-10), and precast concrete traffic barrier (PCTB) may be used for this project. Only PCTB from existing stockpiles that substantially meet the requirements shown on TxDOT standard sheets PCTB may be used for this project. No new PCTB shall be fabricated.

All barrier connection hardware is to be supplied by the Contractor and considered subsidiary to Item 512.

The type of barrier may differ between the barrier required for the northbound and southbound directions at Peek Rd. However, all barrier in the same direction of traffic must be of the same type.

Provide all barrier with drain slots.

Top and side mounted barrier reflectors shall be installed along the Peek Rd northbound and southbound barrier, one set (2 reflectors) per section of barrier (30' spacing). See standards BC(7)-14 and D&OM(1)-15 for details.

Barrier installed at ends of bridges (New Territory Blvd, Sandhill Dr, and FM 1464) shall be painted with Sherwin Williams #2138. This work will be considered subsidiary to Item 512.

**Item 545: Crash Cushion Attenuators**

The Fort Bend Grand Parkway Toll Road Authority (FBGPTRA) will provide REACTs to be used for this project. They are located at FM 1464 and Westpark Tollway under the overpass and are to be transported by the Contractor. Call Phil Martin with the FBGPTRA at (713) 574-5261 2 weeks in advance to coordinate pickup.

All connection hardware to anchor the REACTs to the pavement and CTB are to be supplied by the Contractor and considered subsidiary to Item 545.

**County:** Fort Bend

**Highway:** Fort Bend Grand Parkway Toll Road (SH 99)

**Item 644: Small Roadside Sign Assemblies**

Sign locations shown on the plans are approximate. Before placing them, obtain approval of and then stake the exact locations for these signs.

Assume ownership of the removed existing signs.

Locations of the relocated signs are approximate. Before placing them, obtain approval of and then stake the exact locations for these signs.

**Item 677: Eliminating Existing Pavement Markings and Markers**

Remove existing pavement markings on concrete or asphalt surfaces by flail milling or as directed.

**Item 678: Pavement Surface Preparation for Markings**

On new concrete pavement or on existing concrete pavement when placing a new stripe on a new location, remove the curing compounds and contamination from the pavement surface by flail milling or as directed. In addition, air-blast the surface with compressed air just before placing the new stripe.

On existing concrete pavement when placing a new stripe on an existing location, after removing the existing stripe under the Item, "Eliminating Existing Pavement Markings and Markers," air-blast the surface with compressed air just before placing the new stripe.

Perform air blasting with a compressor that is capable of generating air at a minimum of 100 psi using 5/16 in. or larger hosing for the air blast (equipment should have sufficient capacity to remove contaminants but not damage the pavement surface). Do not clean concrete pavement by grinding.

**GOVERNING SPECIFICATIONS AND SPECIAL PROVISIONS**

All Specifications and Special Provisions applicable to this Project are identified as follows:

**STANDARD SPECIFICATIONS**

Adopted by the Texas Department of Transportation November 1, 2014. Standard Specifications are incorporated into the Contract by reference and a copy may be purchased from TxDOT.

Items 1- 9	General Requirements and Covenants
Item 500	Mobilization
Item 502	Barricades, Signs and Traffic Handling (5) (9)
Item 512	Portable Concrete Traffic Barrier (420) (421) (424) (440) (442)
Item 545	Crash Cushion Attenuators (421)
Item 644	Small Roadside Sign Assemblies (421) (440) (441) (442) (445) (636) (643) (656)
Item 658	Delineator and Object Marker Assemblies (9) (445)
Item 677	Eliminating Existing Pavement Markings and Markers (9) (300) (302) (316)
Item 678	Pavement Surface Preparation for Markings (9) (677)

**SPECIAL PROVISIONS**

Special Provisions will govern and take precedence over the Specifications enumerated hereon wherever in conflict therewith. All Special Provisions are included herein.

Prevailing Wages	
Special Provision	General (FBGPTRA)
Special Provision	000-010 Important Notice to Contractors
Special Provision to Item 2	Instructions to Bidders 002-001 (FBGPTRA)
Special Provision to Item 3	003-005
Special Provision to Item 4	Scope of Work 004-001 (FBGPTRA)
Special Provision to Item 7	Legal Relations and Responsibilities 007-001 (FBGPTRA), 007-001, 007-003
Special Provision to Item 8	Prosecution and Progress 008-001 (FBGPTRA)
Special Provision to Item 9	Measurement and Payment 009-001 (FBGPTRA)

**SPECIAL SPECIFICATIONS**

Item 6001	Portable Changeable Message Sign
Item 6019	Longitudinal Prefabricated Pavement Markings (PPM) with Warranty

General: The above-listed specification items are those under which payment is to be made. These, together with such other pertinent items, if any, as may be referred to in the above-listed specification items, and including the Special Provisions listed above, constitute the complete specifications for this contract.

**PREVAILING WAGES:**

This project is subject to the prevailing wage rate requirements of Chapter 2258 of the Government Code. The Contractor shall pay Fort Bend Grand Parkway Toll Road Authority sixty dollars (\$60.00) for each worker employed by the Contractor for the provision of services described herein for each calendar day or part of the day that the worker is paid less than the below stated rates. Contractors may also visit [www.wdol.gov/dba.aspx](http://www.wdol.gov/dba.aspx).

General Decision Number: TX150056 01/02/2015 TX56

Superseded General Decision Number: TX20140056

State: Texas

Construction Type: Highway

Counties: Austin, Brazoria, Chambers, Fort Bend, Galveston, Hardin, Harris, Jefferson, Liberty, Montgomery, Orange, San Jacinto and Waller Counties in Texas.

HIGHWAY CONSTRUCTION PROJECTS (excluding tunnels, building structures in rest area projects & railroad construction; bascule, suspension & spandrel arch bridges designed for commercial navigation, bridges involving marine construction; and other major bridges).

Note: Executive Order (EO) 13658 establishes an hourly minimum wage of \$10.10 for 2015 that applies to all contracts subject to the Davis-Bacon Act for which the solicitation is issued on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.10 (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract. The EO minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under the EO is available at [ww.dol.gov/whd/govcontracts](http://ww.dol.gov/whd/govcontracts).

Modification Number	Publication Date
0	01/02/2015

\* SUTX2011-013 08/10/2011

	Rates	Fringes
CEMENT MASON/CONCRETE FINISHER (Paving and Structures).....	\$ 12.98	
ELECTRICIAN.....	\$ 27.11	

FORM BUILDER/FORM SETTER

Paving & Curb.....	\$ 12.34
Structures.....	\$ 12.23

LABORER

Asphalt Raker.....	\$ 12.36
Flagger.....	\$ 10.33
Laborer, Common.....	\$ 11.02
Laborer, Utility.....	\$ 11.73
Pipelayer.....	\$ 12.12
Work Zone Barricade Servicer.....	\$ 11.67

PAINTER (Structures).....	\$ 18.62
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POWER EQUIPMENT OPERATOR:

Asphalt Distributor.....	\$ 14.06
Asphalt Paving Machine.....	\$ 14.32
Broom or Sweeper.....	\$ 12.68
Concrete Pavement Finishing Machine.....	\$ 13.07
Concrete Paving, Curing, Float, Texturing Machine....	\$ 11.71
Concrete Saw.....	\$ 13.99
Crane, Hydraulic 80 Tons or less.....	\$ 13.86
Crane, Lattice boom 80 tons or less.....	\$ 14.97
Crane, Lattice boom over 80 Tons.....	\$ 15.80
Crawler Tractor.....	\$ 13.68
Excavator, 50,000 pounds or less.....	\$ 12.71
Excavator, Over 50,000 pounds.....	\$ 14.53
Foundation Drill, Crawler Mounted.....	\$ 17.43
Foundation Drill, Truck Mounted.....	\$ 15.89
Front End Loader 3 CY or Less.....	\$ 13.32
Front End Loader, Over 3 CY:	\$ 13.17
Loader/Backhoe.....	\$ 14.29
Mechanic.....	\$ 16.96
Milling Machine.....	\$ 13.53
Motor Grader, Fine Grade....	\$ 15.69

Motor Grader, Rough.....	\$ 14.23
Off Road Hauler.....	\$ 14.60
Pavement Marking Machine....	\$ 11.18
Piledriver.....	\$ 14.95
Roller, Asphalt.....	\$ 11.95
Roller, Other.....	\$ 11.57
Scraper.....	\$ 13.47
Spreader Box.....	\$ 13.58
Servicer.....	\$ 13.97
Steel Worker	
Reinforcing Steel.....	\$ 15.15
Structural Steel Welder.....	\$ 12.85
Structural Steel.....	\$ 14.39
TRUCK DRIVER	
Low Boy Float.....	\$ 16.03
Single Axle.....	\$ 11.46
Single or Tandem Axle Dump..	\$ 11.48
Tandem Axle Tractor w/Semi Trailer.....	\$ 12.27

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WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

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The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

#### Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than "SU" or "UAVG" denotes that the union classification and rate were prevailing for that classification in the survey. Example:

PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

#### Survey Rate Identifiers

Classifications listed under the "SU" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

#### Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

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### WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION

**FORT BEND GRAND PARKWAY TOLL ROAD AUTHORITY**

**SPECIAL PROVISION – GENERAL**

For this project, the following sections of the Texas Standard Specifications (“TSS”) are hereby modified with respect to the clauses cited below and no other clauses or requirements of the TSS are waived or changed hereby.

**Global** – All references to “State” or “Department” are replaced with “Authority.”

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## Special Provision to Item 000

### Important Notice to Contractors

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By the 20th day of each month, report to the Engineer the number of incidents and injuries that occurred on the project the previous month. Report:

- the total number of incidents and injuries for the Contractor and all subcontractors, and
- the number of Contractor and subcontractor-related incidents and injuries that involved a third party.

An "incident" is defined as any work-related occurrence that caused damage only to vehicles, equipment, materials, etc.

An "injury" is defined as an OSHA recordable injury.

Acquire an Electronic Project Records System (EPRS) account to report incidents and injuries. Submit an EPRS User Access Request Form (Form 2451) to request an account. This form can be found at <http://www.txdot.gov/business/resources/doing-business/prequalification.html>.

Report injuries and incidents using the EPRS website located at <https://apps.dot.state.tx.us/apps/eprs/InjuryIncident/InjryIncdt.aspx>.

Failure to submit this information to the Engineers by the 20th day of each month will result in the Department taking actions including, but not limited to withholding estimates and suspending the work. This report will not be paid for directly, but will be considered subsidiary to items of the contract.

**FORT BEND GRAND PARKWAY TOLL ROAD AUTHORITY**  
**SPECIAL PROVISION TO ITEM 2**  
**INSTRUCTIONS TO BIDDERS**

Item 2, "Instructions to Bidders," of the Texas Department of Transportation Standard Specifications, is hereby amended with respect to the clauses cited below. No other clauses or requirements are waived or changed.

**Section 2, "Eligibility of Bidders,"** is voided and replaced by the following:

The Authority will not accept a bid form for a proposed Contract if one or more of the following apply:

- the Bidder is disqualified by an agency of the federal government.
- the Bidder is suspended or debarred by the Texas Department of Transportation Commission, or is prohibited from rebidding a specific proposal because of bid error or failure to enter into a Contract of the first awarded bid.
- the Bidder is disqualified, suspended or debarred by Fort Bend County, Fort Bend County Toll Road Authority, or Fort Bend Grand Parkway Toll Road Authority.

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## Special Provision to Item 3

### Award and Execution of Contract

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Item 3, "Award and Execution of Contract" of the Standard Specifications is amended with respect to the clauses cited below. No other clauses or requirements of this Item are waived or changed.

Section 4.2., "Bonds," is supplemented by the following:

On the Department's form, provide a warranty bond executed by either the manufacturer of the warranted items or the Contractor, and a U. S. Treasury listed surety with attached powers of attorney and notification information. The warranty bond will be for the total amount of the items that are warranted and furnished as a guarantee for the protection of the Department for all labor, materials, equipment and other incidentals for the replacement of defective work. The party providing the warranty bond is responsible for meeting the warranty requirements.

## FORT BEND GRAND PARKWAY TOLL ROAD AUTHORITY

### SPECIAL PROVISION TO ITEM 4

#### SCOPE OF WORK

Item 4, "Scope of Work," of the Texas Department of Transportation Standard Specifications is hereby amended with respect to the clauses cited below. No other clauses or requirements are waived or changed.

Section 4, "Changes in the Work," is supplemented by the following:

For purposes of extra work, the following individuals have the authority shown to approve extra work. The Authority has no obligation to pay for extra work unless the Contractor secures written authorization executed by the appropriate person prior to commencement of the work. Extra work may not be split or severed to avoid the requirements of this section.

Mike Stone (Operations Manager):	\$ 50,000 or less
Board of Directors:	greater than \$ 50,000

Article 4.1, "Change Orders," is added as follows:

The unit prices Bid shall govern for additions to, or deductions from the Contract. If materials or labor are required for which no unit price is bid, the price shall be that reached by agreement by the Authority and the Contractor after definite evidence is furnished by the Contractor to the Authority that the price is the current prevailing price in the area. If the Authority and the Contractor cannot agree, the Engineer shall determine the price for changes.

No compensation shall be allowed under a Change Order for any person not actively engaged in the performance of the specified work.

No extra work shall be paid for without an approved Change Order prior to the start of the extra work.

If additional time is required by reason of the Change, the number of days for completion provided for in this Contract shall be adjusted at the time the Change Order is entered into, and if no adjustment is made on the Change Order form, any additional time is to be considered waived by the Contractor.

Any extension of time given shall not release the Contractor or the Surety from their Performance and Payment Bonds or from all obligations hereunder, which shall remain in full force until the discharge of the Contract.

All time limits stated in the Contract Documents are the essence of the agreement. The provisions of this Article shall not exclude recovery of damage (including but not limited to fees

and charges of engineers, architects, attorneys and other professionals and court and arbitration costs for delay by either party.)

**Section 6, "Requests for Additional Compensation and Damages,"** is revised by removing the first two paragraphs and replacing as follows:

In the event the Contractor requests additional compensation for work not clearly covered in the contract, the contractor shall notify the Authority in writing of his intention to make a claim for additional compensation before beginning such work, within 21 days of the day Contractor knows or should have known of such claim. The Contractor must provide a written estimate of the amount of the claim or assessment of damages within 30 days of timely notice of the claim. If such notice is not given, then the Contractor waives his right to file a claim for such work. Notice of such claim by the Contractor and the documentation of the cost of the claim work by Contractor shall not be construed as proof or substantiation of the validity of such claim. All such claims must be approved in writing by the Board of Directors of the Authority.

No claims for delay damages may be made nor will the Authority ever be obligated to pay delay damages. Contractor's sole remedy for damages caused by delay is an extension of the contract time. This limitation applies to delay caused by the Authority and delay caused by third parties only. Contractor will not be entitled to extension of time for delays resulting in whole or part from the Contractor's actions or omissions.

**FORT BEND GRAND PARKWAY TOLL ROAD AUTHORITY**  
**SPECIAL PROVISION TO ITEM 7**  
**LEGAL RELATIONS AND RESPONSIBILITIES**

Item 7, "Legal Relations and Responsibilities," of the Texas Department of Transportation Standard Specifications is hereby modified with respect to the clauses cited below. No other clauses or requirements are waived or changed.

**Section 3, "Laws to be Observed,"** is supplemented by the addition of the following:

It is the intent of the Authority that all construction work shall be accomplished with minimum disturbance and inconvenience to the public.

The operation of heavy construction equipment over adjacent streets shall be avoided to the greatest extent practicable. If such operation is unavoidable, care shall be taken to prevent the creation of any nuisance, including, but not limited to, the tracking of dirt or the blowing of dust from uncovered loads.

If sites, buildings, and locations of historical, archaeological, educational, or scientific interests are discovered after construction operations are begun, operation in that particular area shall cease immediately and the sites, buildings, or location shall be investigated or evaluated by the Fort Bend Grand Parkway Toll Road Authority (FBGPTRA). An extension of time will be granted, if necessary, for delays caused by these investigations and evaluations. It is specifically understood, however, that if the Contractor is delayed by virtue of an investigation and evaluation that this delay will not be considered as basis for claim for damages or additional compensation of any kind by the Contractor and that an extension of time will be sole remedy of Contractor for such delay.

**Section 6, "Personal Liability of Public Officials,"** is revised to read in its entirety as follows:

In carrying out provisions of the Contract Documents or in exercising any power or authority granted there under, there shall be no liability for the Project Engineer, the Section Engineer(s), Construction Phase Engineer, their respective officers, employees, subcontractors, or authorized assistants, either personally or otherwise, as they are agents and representatives of the Authority, and there shall be no liability, either personal or otherwise for any member of the Commissioners' Court, the FBGPTRA, or any of the FBGPTRA's officers, employees, or consultants. Neither the Contract Document nor FBGPTRA's or Contractor's course of conduct shall be deemed to create the relationship of principal and agent by and between the FBGPTRA and the Contractor.

**Section 15, "Responsibility of Damage Claims,"** is voided and replaced by the following:

**TO THE FULLEST EXTENT PERMITTED BY LAW, CONTRACTOR SHALL PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS FORT BEND GRAND PARKWAY TOLL ROAD AUTHORITY, THE PROJECT ENGINEER, THE SECTION**

**ENGINEER(S), THE CONSTRUCTION PHASE ENGINEER, AND THEIR RESPECTIVE OFFICERS AND EMPLOYEES (COLLECTIVELY, THE "INDEMNIFIED PARTIES") FROM AND AGAINST EVERY LOSS, ITEM OF DAMAGE, INJURY, EXPENSE, DEMAND, CLAIM, CAUSE OF ACTION, JUDGMENT OR LIABILITY, OF WHATSOEVER KIND OR CHARACTER, WHETHER ARISING IN CONTRACT OR TORT OR UNDER ANY STATUTE, FOR EVERY ELEMENT OF RECOVERY, WHETHER DIRECT OR INDIRECT, INCLUDING SPECIAL AND CONSEQUENTIAL DAMAGES, AND INCLUDING ALL RELATED FINES, FEES AND COSTS, TO INCLUDE ALL FEES AND CHARGES OF ENGINEERS, ARCHITECTS, ATTORNEYS AND OTHER PROFESSIONALS AND ALL COURT OR ARBITRATION OR OTHER DISPUTE RESOLUTION COSTS, FOR:**

**(I) BODILY INJURY OR DEATH OF AN EMPLOYEE OF ANY CONTRACTOR PARTIES, EVEN IF SUCH BODILY INJURY OR DEATH IS CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE, BREACH OF CONTRACT, BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD, OR RULE, OR OTHER FAULT OF AN INDEMNIFIED PARTY; AND**

**(II) BODILY INJURY TO OR DEATH OF ANY PERSON NOT ENCOMPASSED IN (I), ABOVE, PROPERTY DAMAGE OR ECONOMIC LOSS (INCLUDING LOSS OF USE) CAUSED BY OR ARISING OUT OF ANY BREACH OF THIS CONTRACT, OR THE BREACH OF ANY COMMON LAW DUTY, OR THE VIOLATION OF ANY STATUTE OR REGULATION BY THE CONTRACTOR PARTIES IN CONNECTION WITH THE PERFORMANCE (OR NON-PERFORMANCE) OF THE WORK, IN EACH INSTANCE, EVEN IF DUE IN PART TO THE NEGLIGENCE, BREACH OF CONTRACT, BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD, OR RULE, OR OTHER FAULT OF AN INDEMNIFIED PARTY, PROVIDED, HOWEVER, THAT CONTRACTOR'S OBLIGATION OF INDEMNIFICATION SHALL NOT EXTEND TO THE PERCENTAGE OF DAMAGES, INJURIES, EXPENSES, DEMANDS, CLAIMS, CAUSES OF ACTION, JUDGMENTS, LIABILITIES, COSTS AND FEES CAUSED BY THE INDEMNIFIED PARTIES.**

THIS INDEMNITY AGREEMENT IS INTENDED TO MEET THE TEXAS "EXPRESS NEGLIGENCE RULE" BECAUSE CONTRACTOR AGREES THAT IT APPLIES AND IS ENFORCEABLE EVEN AS TO LOSSES, DAMAGES, INJURIES, EXPENSES, CLAIMS, CAUSES OF ACTION, JUDGMENTS OR LIABILITIES JOINTLY OR CONCURRENTLY CAUSED BY THE NEGLIGENCE OR OTHER FAULT OF THE INDEMNIFIED PARTIES. THE TERM "FAULT" IN THE PREVIOUS SENTENCE INCLUDES THE VIOLATION OR BREACH BY THE INDEMNIFIED PARTIES OF ANY COMMON LAW DUTY, ANY TERM OF THIS CONTRACT, OR ANY STATUTE OR REGULATION.

NOTWITHSTANDING THE FOREGOING, THE CONTRACTOR ASSUMES NO RESPONSIBILITY FOR THE TIMELY DELIVERY AND ADEQUACY, ACCURACY AND/OR SUFFICIENCY OF THE PLANS, SPECIFICATIONS, OR DRAWINGS PRODUCED BY FBCTRA'S ENGINEERS, AND IT SHALL NOT BE LIABLE TO THE

FBCTRA FOR DAMAGES RESULTING FROM ERRORS, INCONSISTENCIES OR OMISSIONS IN SUCH PLANS, SPECIFICATIONS, OR DRAWINGS.

**THIS INDEMNIFICATION OBLIGATION SHALL NOT BE LIMITED IN ANY WAY BY ANY OTHER PROVISION OF THIS CONTRACT OR BY ANY LIMITATIONS ON THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE BY OR FOR THE CONTRACTOR PARTIES UNDER WORKERS' COMPENSATION ACTS, DISABILITY BENEFIT ACTS OR OTHER EMPLOYEE BENEFITS ACTS.**

**THIS INDEMNIFICATION OBLIGATION IS IN ADDITION TO ALL OTHER LEGAL, EQUITABLE, OR INDEMNIFICATION REMEDIES AVAILABLE TO THE INDEMNIFIED PARTIES. THIS INDEMNIFICATION OBLIGATION SURVIVES THE TERMINATION OR EXPIRATION OF THIS CONTRACT.**

**CONTRACTOR DOES HEREBY WAIVE, RELEASE AND FOREVER RELINQUISH AND DISCHARGE AUTHORITY FROM ALL OF CONTRACTOR'S CAUSES OF ACTION ARISING FROM BODILY INJURY OR DEATH OR DAMAGE TO ANY PROPERTY ARISING OUT OF THE WORK, REGARDLESS OF WHETHER THE INJURY OR DAMAGE IS CAUSED IN FULL OR IN PART BY THE NEGLIGENCE OR OTHER FAULT OF THE INDEMNIFIED PARTIES.**

In the event that any statute, rule of law or equitable principle should be held applicable to any indemnity clause contained in this Contract in favor of one or more of the Indemnified Parties which would render void, voidable, or unenforceable any such indemnity clause as to any party by reason of any provisions contained therein, then and in only such event, such indemnity clause shall be deemed modified and read, construed and enforced as to such party with respect to the provisions held to violate the statute, rule of law or equitable principle to require indemnity by Contractor of the Indemnified Parties to the fullest extent required by such indemnity provision modified and limited only to the degree or extent necessary to bring such indemnity into compliance with such statute, rule of law or equitable principle, but otherwise, the indemnity shall remain in full force and effect and binding upon the parties hereto.

Each party hereto agrees and covenants that it will not contest the validity or enforceability of any indemnity or exculpatory provision of this Contract on the basis that the party has no notice or knowledge of such provision or that the provision is not "conspicuous."

If other provisions contain any indemnities or limitations, such indemnities shall be deemed to be cumulative of and to operate independently of the indemnities provided herein to the end that all indemnities provided in the Contract shall be construed to grant indemnity to the Indemnified Parties to the fullest extent of each such indemnity.

Contractor shall include in each of its subcontracts with its subcontractors of every tier provisions the same as in all material respects those contained herein. Such provisions shall be for the benefit of and in favor of the Indemnified Parties and such other parties on whom Contractor and such subcontractors may agree.

## Special Provision to Item 7

### Legal Relations and Responsibilities



Item 7, "Legal Relations and Responsibilities," of the Standard Specifications is amended with respect to the clauses cited below. No other clauses or requirements of this Item are waived or changed.

Section 7.2.6.5, "Training," is supplemented by the following:

Coordinate enrollment, pay associated fees, and successfully complete Department-approved Training or Contractor-developed Training. Training is valid for the period prescribed by the provider. If no training period is prescribed by the provider, then training is valid for 3 yrs. from the date of completion. The Engineer may require training at a frequency in lieu of the period prescribed based on the Department's needs. Training and associated fees will not be measured or paid for directly but are considered subsidiary to pertinent Items.

**2.6.5.1.** Department-approved Training. Department-approved training is listed below. For Section 7.2.6.5.1.4., "Other Work Zone Personnel", the Contractor may use Contractor-developed Training in lieu of Department-approved Training.

**2.6.5.1.1** Contractor Responsible Person and Alternate.

Provider	Course Title
American Traffic Safety Services Association	Traffic Control Supervisor
National Highway Institute <sup>1</sup>	Design and Operation of Work Zone Traffic Control, Work Zone Traffic Control for Maintenance Operations
Texas Engineering Extension Service	Work Zone Traffic Control for CRPs
University of Texas Arlington, Division for Enterprise Development	Traffic Control Supervisor

1. Both classes are required in order to equal the level of training taught in a single class by other providers.

**2.6.5.1.2.** Flagger Instructor Training.

Provider	Course Title
American Traffic Safety Services Association	Flagging Instructor Training
Texas Engineering Extension Service	Train-the-Trainer Flaggers
National Safety Council	Flagger Instructor Training
University of Texas at Arlington, Division for Enterprise Development	Certified Instructor: Qualified Flagger Training

**Flagger Training.**

Provider	Course Title
Texas Engineering Extension Service	Flaggers in the Work Zone
National Safety Council	Work Zone Flagger (Flagger Novice)
University of Texas Arlington, Division for Enterprise Development	Flaggers in Work Zones
University of Texas at Arlington, Division for Enterprise Development	Work Zone Traffic Control & Qualified Flagger
Associated Builders and Contractors, Austin Chapter	Flagger Training

## 2.6.5.1.3.

**Law Enforcement Personnel.**

Provider	Course Title
National Highway Institute	Safe and Effective Use of Law Enforcement Personnel in Work Zones

## 2.6.5.1.4.

**Other Work Zone Personnel.**

Provider	Course Title
American Traffic Safety Services Association	Traffic Control Technician
Texas Engineering Extension Service	Work Zone Traffic Control
National Highway Institute	Maintenance of Traffic for Technicians
National Highway Institute	Maintenance Training Series: Basics of Work Zone Traffic Control
University of Texas at Arlington, Division for Enterprise Development	Temporary Traffic Control

## 2.6.5.2.

**Contractor-developed Training.** Develop and deliver Contractor-developed Training meeting the minimum requirements established by the Department. The outline for this training must be submitted to the Engineer for approval at the preconstruction meeting. The CRP or designated alternate may deliver the training in lieu of the Department-approved training. The work performed and materials furnished to develop and deliver the training will not be measured or paid for directly but will be considered subsidiary to pertinent items.

## 2.6.5.2.1

**Flagger Training Minimum Requirements.** A Contractor's certified flagging instructor is permitted to train other flaggers.

## 2.6.5.2.2

**Other Work Zone Personnel Minimum Requirements.** Contractor-developed Training must provide information on the use of personnel protection equipment, occupational hazards and health risks, and other pertinent topics related to traffic management. The type and amount of training will depend on the job duties and responsibilities. Develop training applicable to the work being performed. Develop training to include the following topics:

- The Life You Save May Be Your Own (or other similar company safety motto)
- Purpose of the Training
  - It's The Law

- To make work zones safer for workers and motorists
  - To understand what is needed for traffic control
  - To save lives including your own
- Personal and Co-Worker Safety
- High Visibility Safety Apparel: Discuss compliant requirements; Inspect regularly for fading and reduced reflective properties; If night operations are required, discuss the additional and appropriate required apparel in addition to special night work risks; If moving operations are underway, discuss appropriate safety measures specific to the situation and traffic control plan.
  - Blind Areas: A blind area is the area around a vehicle or piece of construction equipment not visible to the operators, either by line of sight or indirectly by mirrors. Discuss the "Circle of Safety" around equipment and vehicles; Use of spotters; Maintain eye contact with equipment operators; Use of hand signals.
  - Runovers and Backovers; Remain alert at all times; Keep a safe distance from traffic; Avoid turning your back to traffic and if you must then use a spotter; Stay behind protective barriers, whenever possible. Note: It is not safe to sit on or lean against a concrete barrier, these barriers can deflect 4+ feet when struck by a vehicle.
  - Look out for each other, warn co-workers
  - Be courteous to motorists
  - Do not run across active roadways
  - Workers must obey traffic laws and drive courteously while operating vehicles in the work zones.
  - Workers must be made aware of company distracted driving policies
- Night Time Operations: Focus should be placed on projects with a nighttime element.
- Traffic Control Training: Basics of Traffic Control.
- Identify Work Zone Traffic Control Supervisor and other appropriate persons to report issues to when they arise.
  - Work Zone Traffic Control Devices must be in clean and in undamaged condition. If devices have been hit but not damaged, put back in their correct place and report to traffic control supervisor. If devices have been damaged, replace with new one and report to traffic control supervisor. If devices are dirty, faded or have missing or damaged reflective tape clean or replace and report to traffic control supervisor. Show examples of non-acceptable device conditions. Discussion on various types of traffic control devices to be used and where spacing requirements can be found.
  - Channelizing Devices and Barricades with slanted stripes: Stripes are to slant in the direction you want traffic to stay or move to; Demonstrate this with a device.
  - Traffic Queuing: Workers must be made aware of traffic queuing and the dangers created by it. Workers must be instructed to immediately notify the traffic control supervisor and other supervisory personnel if traffic is queuing beyond advance warning sign and devices or construction limits.
  - Signs: Signs must be straight and not leaning. Report problems to the traffic control supervisor or other as designated for immediate repair. Covered signs must be fully covered. If covers are damaged or out of place, report to traffic control supervisor or other as designated.

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## Special Provision to Item 7

### Legal Relations and Responsibilities

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Item 7, "Legal Relations and Responsibilities" of the Standard Specifications is amended with respect to the clauses cited below. No other clauses or requirements of this Item are waived or changed.

Article 7.3, "Laws To Be Observed," is supplemented by the following:

By entering into Contract, the Contractor expressly grants and allows the Department and all other interested federal and state agencies access to all Contractor records related to the Contract, record-keeping systems, and any information considered relevant. Failure to provide access may result in action by the Department.

**FORT BEND GRAND PARKWAY TOLL ROAD AUTHORITY**

**SPECIAL PROVISION TO ITEM 8**

**PROSECUTION AND PROGRESS**

Item 8, "Prosecution and Progress," of the Texas Department of Transportation Standard Specifications is hereby amended with respect to the clauses cited below. No other clauses or requirements are waived or changed.

**Section 3, "Computation of Contract Time for Completion,"** is revised to read in its entirety as follows:

Time is of the essence of this Contract. All references to days are references to calendar days unless expressly stated otherwise. Calculation of Contract Time will commence on the Notice to Proceed date and run continuously for the duration of the contract.

The Contractor must achieve Final Completion within the contract duration specified.

Work shall begin on the date fixed in the Contract requisition. It shall be prosecuted regularly and without interruption until completion. The entire work shall be finished and fully completed to the satisfaction of the Engineer by Final Completion.

END OF SPECIAL PROVISION

**FORT BEND GRAND PARKWAY TOLL ROAD AUTHORITY**  
**SPECIAL PROVISION TO ITEM 9**  
**MEASUREMENT AND PAYMENT**

Item 9, "Measurement and Payment," of the Texas Department of Transportation Standard Specifications is hereby amended with respect to the clauses cited below. No other clauses or requirements are waived or changed.

**Section 6, "Payment for Material on Hand (MOH),"** is supplemented by the following:

The Contractor shall furnish an affidavit that the material is stored in a bonded facility approved by the Fort Bend Grand Parkway Toll Road Authority (FBGPTRA). The estimate shall be made and included for 75 percent of the invoice material cost and invoice freight cost of materials involved after the Contractor has furnished the engineer with a copy of the paid invoices. Only materials requiring approved shop drawings, or where shop drawings are permitted due to quantities of units or because of stage construction, which are completely constructed and/or fabricated on the Contractor's order for a specific project, and on which an approved Test Report has been issued are eligible.

**Section 8, "Retainage,"** is voided and replaced in its entirety as follows:

The Authority will withhold 5.0 percent retainage from the total amount approved for payment until the completion and final acceptance. The Contractor may withhold retainage on subcontractors in accordance with state and federal regulations.

The retainage will be released after all submittals are received and final quantities have been determined.

**Article 9.7.1.1., "Labor,"** is voided and replaced in its entirety as follows:

The Contractor will receive an additional 15% as compensation based on the total wages paid said laborers and foremen. For cost of premiums on public-liability and workers compensation insurance, social security and unemployment insurance taxes, an amount equal to 55 percent of the sum of the labor cost, excluding the 15 percent compensation provided above, will be paid to the Contractor.

**Article 9.7.1.3., "Materials,"** is voided and replaced in its entirety as follows:

The Contractor will receive the actual cost, including freight charges, of the materials used on such work to which cost will be added a sum equal to 15 percent thereof as compensation.

**Section 10, "Final Payment,"** is supplemented by the following:

The Contractor shall after completion of his contract submit his final estimate for quantities installed during the construction period and the value thereof at the Contract unit prices.

The Engineer shall approve and submit the final estimate to the Commissioners' Court and the County shall at such time or within thirty (30) days from and after the date of said estimate as the County may elect, pay the entire sum so found to be due after audit and approval by the County Auditor, after deducting therefrom all previous payments and all amounts to be kept and all amounts to be retained under the provisions of the Contract. All prior partial estimates and payments shall be subject to correction in the final estimate and payment. It is mutually agreed between the parties to the Contract that no estimate or payment made under the Contract, except the final payment, shall exclude any claim of the County or shall constitute conclusive evidence of acceptable performance of the Contract either wholly or in part by the County; and no payments shall be construed to be an acceptance of any defective work or improper materials, or a release from any claims for damages. The Contractor hereby further agrees that the payment of the final amount due under the Contract and adjustment and payment of the bill rendered for any work done in accordance with any alterations to the Contract on a Change In Contract form shall release the County and the Engineer from any and all claims or liability on account of work performed under the Contract or alterations thereof. The Contractor agrees to examine the final estimate and, if he finds it correct, to execute thereon his release in full of all claims due by Fort Bend County, and to certify under oath to the payment by him of all claims against him for labor, materials, and supplies furnished by the Contractor by all persons and firms in the performance of the Contract.

**Section 11, "Electronic Wire Transfers,"** is added as follows:

If the Contractor requests in writing to the Engineer, the Authority will make payments via electronic wire transfer.

# Special Specification 6001

## Portable Changeable Message Sign



### 1. DESCRIPTION

Furnish, operate, and maintain portable trailer mounted changeable message sign (PCMS) units.

### 2. MATERIALS

Furnish new or used material in accordance with the requirements of this item and the details shown on the plans. Provide a self-contained PCMS unit with the following:

- Sign controller
- Changeable Message Sign
- Trailer
- Power source

Paint the exterior surfaces of the power supply housing, supports, trailer, and sign with Federal Orange No. 22246 or Federal Yellow No. 13538 of Federal Standard 595C, except paint the sign face assembly flat black.

- 2.1. **Sign Controller.** Provide a controller with permanent storage of a minimum of 75 pre-programmed messages. Provide an external input device for random programming and storage of a minimum of 75 additional messages. Provide a controller capable of displaying up to 3 messages sequentially. Provide a controller with adjustable display rates. Enclose sign controller equipment in a lockable enclosure.
- 2.2. **Changeable Message Sign.** Provide a sign capable of being elevated to at least 7 ft. above the roadway surface from the bottom of the sign. Provide a sign capable of being rotated 360° and secured against movement in any position.
- Provide a sign with 3 separate lines of text and 8 characters per line minimum. Provide a minimum 18 in. character height. Provide a 5 × 7 character pixel matrix. Provide a message legibility distance of 600 ft. for nighttime conditions and 800 ft. for normal daylight conditions. Provide for manual and automatic dimming light sources.
- The following are descriptions for 3 screen types of PCMS:
- **Character Modular Matrix.** This screen type comprises of character blocks.
  - **Continuous Line Matrix.** This screen type uses proportionally spaced fonts for each line of text.
  - **Full Matrix.** This screen type uses proportionally spaced fonts, varies the height of characters, and displays simple graphics on the entire sign.
- 2.3. **Trailer.** Provide a 2 wheel trailer with square top fenders, 4 leveling jacks, and trailer lights. Do not exceed an overall trailer width of 96 in. Shock mount the electronics and sign assembly.
- 2.4. **Power Source.** Provide a diesel generator, solar powered power source, or both. Provide a backup power source as necessary.
- 2.5. **Cellular Telephone.** When shown on the plans, provide a cellular telephone connection to communicate with the PCMS unit remotely.

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**3. CONSTRUCTION**

Place or relocate PCMS units as shown on the plans or as directed. The plans will show the number of PCMS units needed, for how many days, and for which construction phases.

Maintain the PCMS units in good working condition. Repair damaged or malfunctioning PCMS units as soon as possible. PCMS units will remain the property of the Contractor.

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**4. MEASUREMENT**

This item will be measured by each PCMS or by the day used. All PCMS units must be set up on a work area and operational before a calendar day can be considered measurable. When measurement by the day is specified, a day will be measured for each PCMS set up and operational on the worksite.

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**5. PAYMENT**

The work performed and materials furnished in accordance with this item and measured as provided under "Measurement" will be paid for at the unit price bid for "Portable Changeable Message Sign." This price is full compensation for PCMS units; set up; relocating; removing; replacement parts; batteries (when required); fuel, oil, and oil filters (when required); cellular telephone charges (when required); software; and equipment, materials, tools, labor, and incidentals.

## Special Specification 6019

# Longitudinal Prefabricated Pavement Markings (PPM) with Warranty



### 1. DESCRIPTION

Furnish and place longitudinal PPM as shown on the plans. Provide a manufacturer's warranty bond for a 6 year period. The Department will allow a Contractor provided warranty bond instead of the manufacturer's bond if all conditions of the manufacturer's warranty, including the requirements of this Item, are met. In such case, the Contractor is responsible for meeting the warranty requirements. Use the form provided by the Department. The Department will allow substitution of a contractor's bond with a manufacturer's bond after execution of the Contract before final acceptance.

### 2. MATERIALS

Use pavement markings that meet the requirements of Type B in DMS-8240, "Permanent Prefabricated Pavement Markings," and that are shown on the Department's MPL.

### 3. EQUIPMENT

Provide equipment as required or directed according to the following: (The provider of the warranty bond is responsible for providing equipment during the warranty period unless otherwise shown on the plans.)

3.1. **Preparation and Application.** Use equipment designed for the pavement preparation and application of the type of PPM material selected.

3.2. **Colorimeter.** Provide a colorimeter using 45°/0° geometry CIE, D65 Illuminant, 2° standard observation angle meeting the requirements of ASTM E1347, E1348, or E1349.

3.3. **Retroreflector.** Unless otherwise shown on the plans, provide a portable or mobile retroreflector meeting the following requirements.

3.3.1. **Portable Retroreflector.** Provide a portable retroreflector that meets the requirements of ASTM E1710.

3.3.2. **Mobile Retroreflector.** Provide a mobile retroreflector that:

- is approved by the Construction Division (CST) and certified by the Texas Transportation Institute Mobile Retroreflector Certification Program for project evaluation of retroreflectivity
- is calibrated daily, before measuring retroreflectivity on any pavement stripe, with a portable retroreflector meeting the following requirements: ASTM E1710, entrance angle of 88.76°, observation angle of 1.05°, and an accuracy of ±15%; and
- requires no traffic control when retroreflectivity measurements are taken and is capable of taking continuous readings at or near posted speeds

Furnish mobile retroreflectivity measurements in compliance with Special Specification, "Mobile Retroreflectivity Data Collection for Pavement Markings," unless otherwise approved by the Engineer. The Engineer may require an occasional field comparison check with a portable retroreflector meeting the requirements listed above to ensure accuracy.

## 4. CONSTRUCTION

- 4.1. **General.** Prepare the pavement surface using controlled techniques that minimize pavement damage and hazards to the travelling public. Apply the PPM materials according to the manufacturer's recommendations, using widths, colors, and shapes at locations as shown on the plans.

Obtain approval for the sequence of work and estimated daily production. Use traffic control as shown on the plans or as approved. Establish guides to mark the lateral location of pavement markings as shown on the plans or as directed, and have guide locations verified. Use material for guides that will not leave a permanent mark on the roadway. Apply markings in alignment with the guides and without deviating for the alignment more than 1 in. per 200 ft. of roadway or more than 2 in. maximum. Remove all applied markings that are not in alignment or sequence as stated in the plans or as stated in the specifications at the Contractor's expense and in accordance with Item 677, "Eliminating Existing Pavement Markings and Markers," except for measurement and payment.

- 4.2. **Initial Performance Requirements.** Meet Article 5, "Performance Requirements" initially, after installation.

The Engineer will conduct visual performance evaluations of PPM. For markings that do not meet the Engineer's visual performance evaluation, the Contractor may present test results for color (using a colorimeter), retroreflectivity (using a retroreflectometer in accordance with this item), and durability (in accordance with ASTM D913) for the Engineer's use in making acceptance or rejection decisions.

For PPM not meeting performance requirements, repair or replace until reevaluation shows the PPM meet the performance requirements as approved by the Engineer.

- 4.3. **Written Acceptance.** The Department will provide written acceptance after the Contractor meets the initial performance requirements. This written acceptance (see attached sample form) will include the date, location, length, and type of PPM.

## 5. PERFORMANCE REQUIREMENTS

- 5.1. **Color.** Provide PPM consisting of pigments blended to provide color conforming to highway colors as shown in Table 1.

Table 1  
Color Requirements

Federal 595 Color		Chromaticity Coordinates								Brightness (Y)
		1		2		3		4		
x	y	x	y	x	y	x	y	x	y	
White	17855	.290	.315	.310	.295	.350	.340	.330	.360	60 Min
Yellow	33538	.470	.455	.510	.489	.490	.432	.537	.462	30 Min
Black										5 Max

- 5.2. **Retroreflectivity.** Provide PPM for longitudinal markings meeting the minimum retroreflectivity values listed in Table 2.

Table 2  
Minimum Retroreflectivity Requirements

Color	Retroreflectivity, mcd/m <sup>2</sup> /lx, Min
White	120
Yellow	120

- 5.3. **Durability.** Provide PPM that do not lose more than 5% of the striping material in a 1,000-ft. section of continuous stripe or broken stripe (25 broken stripes). Pavement markings must remain in the proper alignment and location.

- 5.4. **Performance Evaluation Procedures.** Provide traffic control and conduct evaluations of color, retroreflectivity, and durability as required or directed.
- 5.4.1. **Color.** Measure color using 45°/0° geometry CIE, D65 Illuminant, 2° standard observation angle in accordance with ASTM E 1347, E 1348, or E 1349.
- 5.4.2. **Retroreflectivity.** Unless otherwise shown on the plans, conduct retroreflectivity evaluations of pavement markings with either a portable or mobile retroreflectometer. Make all measurements in the direction of traffic flow, except for broken centerline on 2-way roadways, where measurements will be made in both directions.
- If using a portable retroreflectometer, take a minimum of 1 measurement every mile on each series of markings (i.e., edge line, center skipline, each line of a double line, etc.), at locations approved by the Engineer. If more than 1 measurement is taken, average the measurements. For all markings measured in both directions, take a minimum of 1 measurement in each direction. If the measurement taken on a specific series of markings within each mile segment falls below the minimum retroreflectivity values, take a minimum of 5 more measurements at locations determined by the Engineer within that mile segment for that series of marking. If the average of these 5 measurements falls below the minimum retroreflectivity requirements, that mile segment of the applied markings does not meet the performance requirement.
- If using a mobile retroreflectometer, review the results to determine deficient sections and deficient areas of interest. These areas do not meet the performance requirements.
- 5.4.3. **Durability.** Measure durability in accordance with ASTM D913 for marking material loss and visual inspection for alignment and location. Conduct evaluations at locations approved by the Engineer.

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## 6. WARRANTY REQUIREMENTS

Each warranty period is for 6 yr. and starts the day after written acceptance.

The marking warrantor is responsible for meeting Article 5, "Performance Requirements," for the duration of the warranty period.

During the warranty period, the Engineer will conduct periodic visual performance evaluations of PPM. For retroreflectivity the Engineer will use Tex-828-B, "Determining Functional Characteristics of Pavement Markings." The warrantor may be present during these evaluations. For areas, which, in the opinion of the Engineer, have a questionable visual evaluation, the warrantor may replace the PPM or may conduct a performance evaluation for the performance requirement in question, according to Section 5.4., "Performance Evaluation Procedures." Conduct retroreflectivity evaluations according to Section 5.4.2., "Retroreflectivity," using either portable or mobile retroreflectometer unless otherwise shown on the plans. The warrantor is responsible for traffic control when conducting performance evaluations.

The warrantor will replace PPM that fails to meet the color, retroreflectivity, or durability performance requirements during the warranty period. Replace PPM that fails to meet the performance requirements within 30 days of notification.

All replacement PPM must meet the materials and performance requirements of this specification, under the following conditions to complete the warranty period:

If the longitudinal PPM fails to meet the performance requirements in Article 5 in Years 1 through 4, use materials meeting Type B requirements of specification DMS-8240.

If the longitudinal PPM fails to meet the performance requirements in Article 5 in Years 5 or 6, use materials that meet DMS-8240 (Type A or B), or on the Department's MPL, to meet the performance requirements of Article 5.

The end of the warranty period does not relieve the warrantor from the performance deficiencies requiring corrective action identified during the warranty period.

The Engineer may exclude PPM from the replacement provisions of the warranty period, provided the Engineer determines that the failure is a result of outside causes rather than defective material. Examples of outside causes are extreme wear at intersections, damage by snow or ice removal, and premature pavement failure.

Provide a contact person, address and telephone number for notification of needed PPM replacement.

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**7. MEASUREMENT**

This item will be measured by the foot or by any other unit shown on the plans. Each stripe will be measured separately.

This is a plans quantity measurement item. The quantity to be paid is the quantity shown in the proposal unless modified by Article 9.2., "Plans Quantity Measurement." Additional measurements or calculations will be made if adjustments of quantities are required.

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**8. PAYMENT**

The work performed and materials furnished in accordance with this item and measured as provided under "Measurement" will be paid for at the unit price bid for "Longitudinal Prefabricated Pavement Markings (PPM) with Warranty" of the color, shape and width, specified as applicable, at the time of project acceptance. This price is full compensation for materials, application of longitudinal PPM, testing, warranty work, equipment, labor, tools, and incidentals.



<b>WARRANTY BOND</b>	CONTRACT NO.	
	COUNTY	
	BOND NO	

**KNOW ALL PERSONS BY THESE PRESENTS:** That we, \_\_\_\_\_, manufacturer of or Contractor for prefabricated pavement markings, as Principal, and \_\_\_\_\_, as Surety, are held and firmly bound unto the State of Texas, as Oblige, in the penal sum of \_\_\_\_\_ Dollars \$ \_\_\_\_\_, lawful money of the United States, well and truly to be paid to the State of Texas, and we bind ourselves, our heirs, successors, executors, and administrators jointly and severally, firmly by these presents.

Whereas, the above bounden Principal has provided prefabricated pavement markings to \_\_\_\_\_ for the foregoing contract entered into between \_\_\_\_\_ and the Oblige, attached hereto; and

Whereas, the Principal is required to protect the Oblige against any defects resulting from faulty prefabricated pavement markings installed under said contract for a period of 6 years beginning the day after written acceptance.

Now, therefore, the condition of this obligation is such that if the above bounden principal, its heirs, successors, executors, and administrators shall promptly and faithfully carry out and perform the warranty as provided in said contract, and shall, within thirty days of due notice, replace any installed prefabricated pavement markings that may fail to meet Oblige's performance evaluation as provided for in the Contract during the period specified above or shall pay over, make good, and reimburse to the said Oblige all loss and damage that said Oblige may sustain by reason of failure or default of said Principal so to do, then this obligation shall be null and void, otherwise it shall remain in full force and effect.

Provided further that the end of a warranty period shall not relieve Principal from its obligation to correct deficiencies requiring corrective action, so long as those deficiencies are identified during the warranty period.

WITNESS our hand this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_

\_\_\_\_\_  
(Warrantor Name)

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

\_\_\_\_\_  
(Warrantor Officer)

\*\*SURETY (Print Firm Name and Seal)

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

\_\_\_\_\_  
(Title)

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

\_\_\_\_\_  
(Warrantor Officer)

\*\*SURETY (Print Firm Name and Seal)

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

\_\_\_\_\_  
(Title)

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

\_\_\_\_\_  
(Title)

**Note:**

\* Attach a Power of Attorney showing that the officer of the installing contractor has authority to sign this obligation.

\*\* Attach a Power of Attorney showing that the surety officer or Attorney-in-Fact has authority to sign this obligation; the Power of Attorney and bond must be impressed with the corporate seal. The surety must be a US Treasury listed company and provide notification information.