

J-4 Standard Purchasing Resolutions:

- a) Standard Purchasing Resolution 2 and Standard Purchasing Resolution 4: NJPA/NIPA Purchasing Cooperatives – Office Renovation – Department of Public Works Building

Resolution #2018-01-005-J-4a

RESOLVED, That Troy City Council hereby **AWARDS** a contract for renovations to the Department of Public Works Facility to the low bidder meeting specifications, *A.Rea Construction, Inc of Southfield, MI*, for an estimated total cost of \$54,000.00 as contained in the bid tabulation opened on Thursday, January, 4, 2018; a copy of which shall be **ATTACHED** to the original Minutes of this meeting; with a 15% contingency of \$8,100.00 not to exceed budgetary limitations for a grand total of \$62,100.

BE IT FURTHER RESOLVED ,That Troy City Council hereby **AWARDS** a contract for the purchase of office furnishings for the Department of Public Works Facility to *Interior Environments of Novi, MI*, as detailed in the quote, a copy of which shall be **ATTACHED** to the original Minutes of this meeting, as per NJPA Purchasing Cooperative Contract # 121715-IFA and NIPA Purchasing Cooperative Contract #R142201 for an estimated cost of \$143,603.45; with the grand total estimated cost of the office renovation being \$205,703.45.

BE IT FINALLY RESOLVED, That the award is **CONTINGENT** upon contractor's submission of properly executed contract documents, including insurance certificates and all other specified requirements.

BLANKET ORDER

No. 2018-00000846

DATE: 01/22/2018

PAGE: 1 of 1

FOB DESTINATION

Ship To

CITY OF TROY
Streets
4693 ROCHESTER ROAD
TROY, MI 48085

Bill To

CITY OF TROY
Streets
4693 ROCHESTER ROAD
TROY, MI 48085

COUNCIL RESOLUTION
2018-01-005-J-4a

VENDOR NO. 172492

Vendor

A.REA CONSTRUCTTION, INC.
24001 TELEGRAPH ROAD
SOUTHFIELD, MI 48033

QUANTITIES ARE ESTIMATED AND WILL BE ORDERED AS NEEDED

QUANTITY	UNIT	DESCRIPTION	UNIT COST	TOTAL COST
1	Each	DPW OFFICE RENOVATION Provide all labor, permits, materials and equipment, all supervision, coordination, and all related incidentals to furnish and install the Office Renovation in the City of Troy DPW Building for the City of Troy as per all the Plans, Drawings, and the Scope of Work as prepared by John Tagle Associates, Inc. for an all inclusive lump sum. Contact Dennis Trantham to schedule the renovation.	54,000.0000	\$54,000.00

Entered By: MaryBeth Murz

\$54,000.00

Special Instructions:

CITY COUNCIL AWARD: 1/8/2018. Certificate of Insurance and Endorsement shall be on file for duration of contract.

TERMS & CONDITIONS

1. Purchases of Municipalities are exempt from State Sales and Federal Excise Taxes.
2. Prior to acceptance, vendor agrees to provide City with information under the Right-to-Know Law, P.A. 1986, No. 80, and fully comply with all terms and conditions of the Michigan Occupational Safety and Health Act, MCL 408.1001, et seq. including vendor shall provide City with an "MSDS". Vendor also agrees to be responsible for all required labeling.
3. In cases of emergency/disaster, the City can purchase up to six(6) times the order amount for a period of six(6) months at the price contained in the contract.
4. Purchase Orders are signed electronically based upon computer generated "on-line" authorized approvals. Authentic signatures are on file in the City of Troy Purchasing Department.

NOTICE: The City could put the vendor on notice that vendors will be held financially responsible for any claims or awards made against the City as a result of the vendor's action. If the City has to defend the initial lawsuit, the City will bring in the vendor as a co-defendant or sue the vendor, either as the result of settling a claim or the conclusion of the lawsuit.

I HEREBY CERTIFY THAT THIS ORDER IS PROPERLY AUTHORIZED AND APPROVED.

MaryBeth Murz

PURCHASE ORDER

No. 2018-00000832

DATE: 01/10/2018

PAGE: 1 of 1

FOB DESTINATION

Ship To

CITY OF TROY
Streets
4693 ROCHESTER ROAD
TROY, MI 48085

Bill To

CITY OF TROY
Streets
4693 ROCHESTER ROAD
TROY, MI 48085

COUNCIL RESOLUTION
2018-01-005-J4a

VENDOR NO. 168312

Vendor

INTERIOR ENVIRONMENTS
48700 GRAND RIVER AVE
NOVI, MI 48374-1228

QUANTITY	UNIT	DESCRIPTION	UNIT COST	TOTAL COST
1	Lot	Ashely's Office	6,433.2300	\$6,433.23
1	Lot	Emily's Office	6,829.2700	\$6,829.27
1	Lot	Kurt's Office	3,466.5000	\$3,466.50
1	Lot	Laura's Office	4,522.2300	\$4,522.23
1	Lot	Kaitlin's Office	3,060.5500	\$3,060.55
1	Lot	Janice Office	9,484.9200	\$9,484.92
1	Lot	Paul Office	6,605.7700	\$6,605.77
1	Lot	Mike Office	4,457.2100	\$4,457.21
1	Lot	Dennis Office	4,457.2100	\$4,457.21
1	Lot	Brian Office	9,056.4600	\$9,056.46
1	Lot	Kelly Office	5,265.1300	\$5,265.13
1	Lot	4 Person Cluster Work Stations	18,090.2600	\$18,090.26
1	Lot	Lateral File Bank with Common Laminate Top	2,048.1800	\$2,048.18
1	Lot	Wall Storage System for Mail Room	6,298.0000	\$6,298.00
1	Lot	Collaboration Area	8,638.5000	\$8,638.50
2	Lot	Glass Marker Boards	768.8900	\$1,537.78
1	Lot	Lobby Bench	1,110.7500	\$1,110.75
1	Lot	Harvest Table	2,051.5000	\$2,051.50
1	Lot	Carpet and LVT Tile	32,875.0000	\$32,875.00
1	Lot	Labor to Install Offices	6,890.0000	\$6,890.00
1	Flat	Freight	425.0000	\$425.00
1	Each	DELIVERY:	0.0000	\$0.00
		Deliver and Install all furniture, flooring and related items as per detailed quote. Deliver to the DPW building at 4693 Rochester Road.		
Entered By: MaryBeth Murz				\$143,603.45

Special Instructions:

CITY COUNCIL AWARD DATE: 1/8/2018.

TERMS & CONDITIONS

1. Purchases of Municipalities are exempt from State Sales and Federal Excise Taxes.
2. Prior to acceptance, vendor agrees to provide City with information under the Right-to-Know Law, P.A. 1986, No. 80, and fully comply with all terms and conditions of the Michigan Occupational Safety and Health Act, MCL 408.1001, et seq. including vendor shall provide City with an "MSDS". Vendor also agrees to be responsible for all required labeling.
3. In cases of emergency/disaster, the City can purchase up to six(6) times the order amount for a period of six(6) months at the price contained in the contract.
4. Purchase Orders are signed electronically based upon computer generated "on-line" authorized approvals. Authentic signatures are on file in the City of Troy Purchasing Department.

NOTICE: The City could put the vendor on notice that vendors will be held financially responsible for any claims or awards made against the City as a result of the vendor's action. If the City has to defend the initial lawsuit, the City will bring in the vendor as a co-defendant or sue the vendor, either as the result of settling a claim or the conclusion of the lawsuit.

I HEREBY CERTIFY THAT THIS ORDER IS PROPERLY AUTHORIZED AND APPROVED.

MaryBeth Murz

Vendor Name:	A. Rea Construction, Inc.	M.L. Schoenherr Construction	Usztan LLC
	Southfield, MI	Shelby Twp, MI	Auburn Hills, MI
Check #:	9202236315	1180190	9411613861

Proposal: Provide all labor, permits, materials and equipment, all supervision, coordination, and all related incidentals necessary to furnish and install the Office Renovation in the City of Troy DPW Building for the City of Troy as herein described in strict accordance with the Plans, Elevations and the Drawings, prepared by John Tagle Associates, Inc., for an all-inclusive Base Bid Lump Sum.

Attend Pre- Bid Meeting:	Y or N	Yes	Yes	Yes
Site Inspection Date:		12/14/2017	12/14/2017	12/14/2017
Payment Schedule:		Payment for work completed by 10th day of the following month.	Net 30 days after monthly invoice less 10% retainage	Net 30
References:	Y or N	Yes	Yes	Yes
Grand Total (Including Install):		\$54,000.00	\$61,600.00	\$66,400.00
Insurance Met:	Y or N	Yes	Yes	Yes
Warranty:		1 Year	Blank	1 Year
Completion Date:		2/28/2018	Blank	6 Weeks
Exceptions:	Y or N	None	Blank	Work to start 30 days after signing contract. Material lead times are 4-6 weeks for doors and casework.
Acknowledgement:	Y or N	Yes	Yes	Yes
Forms:	Y or N	Yes	Yes	Yes
Hours of Operation		8am-5pm M-F	Not provided	7am-4:30pm M-F
24 Hr. Contact Phone No.		248-225-1575	586-612-0982	248-895-4106

Opening Date: 1/4/2018
 Reviewed Date: 01/04/2018

BID TABULATION
 CITY OF TROY
 DPW OFFICE RENOVATIONS

ITB-COT 17-48
 Pg. 2 of 2

Vendor Name:	Allied Building Services	Pizzo Development Group, LLC	MIG East, LLC
	Detroit, MI	Wyandotte, MI	Detroit, MI
Check #:	1159083	514317791-2	3155

Proposal: Provide all labor, permits, materials and equipment, all supervision, coordination, and all related incidentals necessary to furnish and install the Office Renovation in the City of Troy DPW Building for the City of Troy as herein described in strict accordance with the Plans, Elevations and the Drawings, prepared by John Tagle Associates, Inc., for an all-inclusive Base Bid Lump Sum.

Attend Pre- Bid Meeting:	Y or N	Yes	Yes	Yes
Site Inspection Date:		12/14/2017	12/14/2017	12/14/2017
Payment Schedule:		Monthly	50% upon award, 50% upon completion	Every 1st of the month
References:	Y or N	Yes	Yes	Yes
Grand Total (Including Install):		\$74,490.00	\$84,000.00	\$99,000.00
Insurance Met:	Y or N	Y	Y	Y
Warranty:		1 Year	1 Year	1 Year
Completion Date:		Blank	As stated	As contracted
Exceptions:	Y or N	Blank	N/A	N/A
Acknowledgement:	Y or N	Yes	Yes	Yes
Forms:	Y or N	Yes	Yes	Yes
Hours of Operation		7am-4pm	7am-6pm Mon-Sat	8am-4pm
24 Hr. Contact Phone No.		313-236-1169	313-671-2794	313-510-1919

ATTEST:


 Enna A. Bachelor

 Kurt Bovenseip

 Dennis Trantham

 Ashely Levin

 Susan Reisterer



 MaryBeth Murz,
 Purchasing Manager



December 15, 2017

Addendum 1
ITB-COT 17-48
Office Renovation - DPW Building
Page 1 of 4

To All Bidders:

Please be advised that as a result of the Pre-Bid Meeting conducted on Thursday, December 14, 2017 at 2:00 PM EST the Purchasing Department for the City of Troy authorized the following clarification(s) and or change(s) to the specifications for ITB-COT 17-48, OFFICE RENOVATION – DPW BUILDING at 4693 Rochester Road located in the City of Troy. The clarification(s) and or change(s) will be considered an integral part of the original proposal document. The Pre-Bid Meeting was conducted onsite at the DPW Building.

Items from the bid documents to be aware of and should be REVIEWED:

- Bid Opening date and time Thursday, January 4, 2018, at 10:00 AM E.S.T.
- When submitting bids, mark Envelopes with the Bid Number, Name, and the Opening Date. Bids shall be submitted to the City Clerk's Office located in City Hall.
- For questions regarding items contained in the bid documents, please contact the Purchasing Department at (248) 680-7291.
- A cashier's check, certified check, or money order in the amount of \$5,000.00 must accompany the bid to insure the bid. BID BONDS ARE NOT ACCEPTABLE. The successful bidder of this project will have their bid surety returned upon submission of the specified acceptable Performance, Labor and Materials Payment, and one-year Maintenance Bonds, and Insurance Certificate and Endorsement in accordance with bid specifications. All other bidders will have their bid deposits returned after the bid has been opened at least 72 hours.
- *LOCAL PREFERENCE* clause (Page 2 of 7).
- All bidders are required to examine the site to determine the amount of work to be done in accordance with the bid specifications by attending the Pre-bid Meeting that was scheduled for Thursday, December 14, 2017 at 2:00 PM EST LOCATED AT THE DPW BUILDING, 4693 ROCHESTER ROAD, TROY, MI 48098. An opportunity to inspect the site was provided during the Pre-bid Meeting. To schedule additional appointments to examine the site, contact Dennis Trantham, Facilities and Grounds Manager at (248) 524-3503 or dennis.trantham@troymi.gov.
- For *ADDITIONAL INFORMATION* or specific questions concerning this project, please contact MaryBeth Murz, Purchasing Manager at (248) 680-7291.
- **COMPLETION SCHEDULE:** The designated City representative shall approve the work schedule prior to the start of the project. His/her decision as to acceptability shall be deemed in the City of Troy's best interest. The City of Troy is the only party to this contract that may authorize amendment of this schedule. The entire project must be complete by **February 28, 2018.**
- *FINAL PAYMENT* only after final inspection by the City of Troy and acceptance of all work performed.
- *INSURANCE:* If awarded - Insurance needs to be submitted to the City's Purchasing Manager, and approved before work can begin. (Pages 5-6 of 7).
- *SIGNATURE PAGE* – Sign all three areas 1) Price Clause, 2) Company Info, & 3) Acknowledgement.
- *EXCEPTIONS:* Any exceptions, substitutions, deviations to the bid proposal need to be stated including the reason (Page 7 of 7).
- *SPECIFICATIONS:* As detailed.

Attendance at the Pre-Bid Meeting, everyone signed in. The following Companies were represented and in attendance:

MIG Construction
Degenhardt & Sons, Inc.
Allied Building Service
Pizzo Development Group, LLC
A.Ren Construction Co.
Envision Builders
Meridian Construction Group
Elgin Builders
M.L. Schoenherr Construction
Usztan, LLC
Mando Construction

Introduced: MaryBeth Murz, Purchasing Manager, City of Troy
Kurt Bovensiep, DPW Director, City of Troy
Dennis Trantham, Facilities & Grounds Operation Manager, City of Troy
Ashely Levin, Project Manager, City of Troy

Clarifications were discussed as follows:

- Sealed bid proposals for the **OFFICE RENOVATION AT THE DPW BUILDING** will be received by the City of Troy at the **office of the City Clerk, 500 W. Big Beaver Road, Troy, MI 48084 until Thursday, January 4, 2018, at 10:00 AM E.D.T.,** after which time they will be publicly opened and read in the Troy City Offices. **Late bid submittals will not be accepted. The City does not accept bid responses via fax transmission.**
- **COMPLETION SCHEDULE:** The designated City representative shall approve the work schedule prior to the start of the project. His/her decision as to acceptability shall be deemed in the City of Troy's best interest. The City of Troy is the only party to this contract that may authorize amendment of this schedule.

The intent is to submit a recommendation to award for this project to City Council at the January 22, 2018 meeting.

The entire project must be complete by February 28, 2018.

If completion date must be changed indicate *proposed* completion date in the Exceptions Section on the Signature Page.

- MaryBeth Murz gave a brief overview of the Instructions to Bidders and the requirements for bid submission.
- It is the bidder's responsibility to field verify all measurements. It is also the bidders' responsibility to examine and inspect the site.
- Permits are required. All permit fees will be *waived* the City of Troy.
- This is NOT a prevailing wage project.

- Sheet A-100 Demo Key Note Legend Note 2 it states to demo wall for new door installation. It is now not a part of the Scope of Work and should not be considered in proposal as it will be completed before renovation begins. Also, strike from A-101 Door Schedule; materials for door No. 111.

QUESTION: Who is responsible for the data lines that will be moved? Is the Scope of Work to include the rough-in the lines or finish them?

ANSWER: The contractor is responsible for all raceways and rough-in provisions. The City, under separate contract or with their own personnel will install the data lines.

QUESTION: Is there any plan for the sprinkler head relocation or are we to anticipate how the new lay out will work?

ANSWER: Refer to sheet M-100 Note 3 and sheet A-100 REFL. CLG. Key Note Legend note


- **QUESTION:** Is the carpet and tile to be included in the bid pricing?
ANSWER: The City of Troy will supply the carpet and tile. Glue, thin-set and incidentals needed for the install of the flooring (carpet and tile) shall be included in the bid pricing.
- **QUESTION:** How will space be utilized during renovation?
ANSWER: The office and operations will move and shift around in order to complete the renovation. In some cases offices/workstations may move to other office areas in the DPW Building.
- **QUESTION:** Regarding the VCT flooring, has the VCT been tested for asbestos?
ANSWER: The VCT is not original flooring. The flooring has not been tested for Asbestos. The City has the ability to test mastic and tile and shall make available the testing results to all bidders who attended the Pre-Bid Meeting.
- **QUESTION:** In regards to the ceiling, how much of the ceiling should be salvaged?
ANSWER: Salvage ceiling tiles as much as possible. Bowed tiles shall be replaced.
- **QUESTION:** Is there a paint specification included?
ANSWER: Paint and painting is included in the Scope of Work. Specify paint brand and the City shall choose paint colors based on awarded bidder's specified paint.
- **QUESTION:** What about the Data Projector and TV hanging on the wall?
ANSWER: The City will remove both items from the wall.
- **QUESTION:** Can you share the Budget for this project?
ANSWER: The City typically does not share internal budget figures as a part of the bid process.
- **QUESTION:** Is painting the ceiling grids included in the Painting Scope of Work?
ANSWER: Yes.
- **QUESTION:** Is the wall being replaced with vinyl board?
ANSWER: Wall shall be replaced with traditional dry wall.
- **QUESTION:** What about the partition track?
ANSWER: The partition track shall be loped off and tied back into the new wall.

- **QUESTION:** What about exterior work for door and receiving window?
ANSWER: This work will be done by others. Also the City will deal with Certificate of Occupancy.
- **QUESTION:** There is water damage on some of the ceiling tiles.
ANSWER: The awarded bidder will not be held accountable for this.
- An additional opportunity to ask any other questions was given. There were none. Attendees were reminded that further questions should be emailed directly to the Purchasing Manager.

I, the undersigned bidder, have read this Addendum 1 and have integrated the clarification(s) and or change(s) into the *Bid Proposal* and *Specifications* for ITB-COT 17-48, OFFICE RENOVATION – DPW BUILDING located at 4693 Rochester Road. All other items in the original bid proposal remain the same. This Addendum 1 should be attached to the top of the Bid Proposal packet at the time of submission, on or before **Thursday, January 4, 2018 at 10:00 AM EST** in the office of the City Clerk.

COMPANY: A. Ren Construction, Inc.

NAME OF AUTHORIZED COMPANY REPRESENTATIVE: Michael Ren

SIGNATURE: 

ADDRESS: 24001 Telegraph Rd.
Southfield, MI 48033

DATE: 1-4-18



CITY OF TROY
BID PROPOSAL

ITB-COT 17-48

Page 1 of 7

The undersigned proposes to **INSTALL AND COMPLETE AN OFFICE RENOVATION AT CITY OF TROY DPW BUILDING** in accordance with the attached bid specifications and drawings that are to be considered an integral part of this bid proposal, at the following prices:

COMPANY NAME: A. Rea Construction, Inc.

The bid document contains the following sections:

Instructions to Bidders (2 pages)	Public Act 57 (2 pages)
Bid Proposal (7 pages)	Consent of Surety - Sample (1 page)
Forms (8 forms)	Sample Insurance Certificate (2 pages)
Specifications – Summary of Work (2 pages)	Statement of No Bid (1 page)
Specifications – Plans & Elevations (6 pages) - <i>Attached</i>	

PROPOSALS: The undersigned as bidder declares that he/she having examined the bid specifications with the related documents and the site of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposed project, including availability of materials and labor, hereby proposes to furnish all labor, equipment materials, and supplies, to complete the program in accordance with the bid specifications, within the time set forth therein, and at the prices stated below. These prices are to cover all expenses incurred in installing the comprehensive office renovation package at the DPW Building located in Troy, Michigan required under the contract documents, of which this Proposal is part.

BID PROPOSAL: Provide all labor, permits, materials and equipment, all supervision, coordination, and all related incidentals necessary to furnish and install the Office Renovation in the City of Troy DPW Building for the City of Troy as herein described in strict accordance with the Plans, Elevations and the Drawings, prepared by John Tagle Associates, Inc., for an all-inclusive Base Bid Lump Sum and as detailed below:

TOTAL BID AMOUNT (Fifty Four Thousand dollars and 00/100)
Grand Total (including install) \$54,000.00

UNIT PRICES:

Unit prices prevail. The City of Troy Purchasing Department will correct any and all mathematical errors.

PRE-BID MEETING:

A **Pre-Bid Meeting** will be held on **THURSDAY, December 14, 2017 at 2:00 pm** at the City of Troy DPW Building, 4693 Rochester Road, Troy, Michigan 48085. The meeting will be held with prospective bidders to answer and/or clarify questions regarding bid specifications and drawings. The meeting will include a site inspection at the DPW Building.

ADDITIONAL INFORMATION:

For additional information or questions concerning this project, please contact Mr. Dennis Trantham, Facilities and Grounds Operations Manager at (248)524-3503 or Dennis.Trantham@troymi.gov between the hours of 8:00 a.m. to 4:00 p.m., Monday through Friday.

COMPANY NAME: A. Rea Construction, Inc.
Bid Proposal

SITE INSPECTIONS:

All bidders should examine the site to determine the amount and scope of work to be performed as per the bid specifications. Bidders are required to field verify exact measurements as applicable and as per the drawings prior to submitting a bid proposal. If the bidder does not make a site inspection, that bidder accepts full responsibility and risk for any errors or omissions in his/her bid proposal.

PERMITS:

All work performed must meet City and State Code. The Contractor shall obtain all applicable and required permits and arrange for inspections. All fees for said permits will be waived by the City of Troy.

BID DEPOSIT AND FORFEITURE:

The bid deposit of the lowest bidder shall be forfeit if, after bid opening, a change in the bid price or other provision of the bid is required by the bidder that is prejudicial to the interest of the City of Troy or fair competition.

AWARD:

The evaluation and award of this bid shall be a combination of factors, including but not limited to: cost, professional competence, equipment, references, and the correlation of the bid proposal submitted to the needs of the City of Troy.

The City of Troy reserves the right to award this bid to the lowest responsible bidder meeting specifications for each proposal; to combine proposals if deemed in the City's best interest to do so; to reject low bids which have major deviations from specifications; to accept a higher bid which has only minor deviations, whatever is deemed to be in the City of Troy's best interest

DOWNPAYMENTS AND PREPAYMENTS:

Any bid submitted which requires a down payment or prepayment of any kind prior to delivery of material and acceptance, as being in conformance with specifications will not be considered for award.

DELIVERY:

All materials are to be F.O.B. delivered, freight paid, to the City of Troy DPW Building.

CONTACT INFORMATION:

Hours of operation: 8am - 5pm M-F 24 Hr. Contact Phone No. 248-225-1575

SITE INSPECTION:

All bidders are required to examine the site to determine the amount of work to be which shall include any necessary field measurements; done in accordance with the specifications. If a bidder does not conduct a site inspection, that bidder is not eligible to submit a bid. Contact Mr. Dennis Trantham (248)524-3503 to schedule a site visit(s) between the hours of 8:00 am - 4:00 pm, Monday through Friday.

- Our company visited the site on 12-14-17.
- Our company did not visit the site.

LOCAL PREFERENCE:

The City of Troy reserves the right to award a contract to a local business, one that pays City of Troy taxes (real and/or personal), if the bid of a local vendor is within 5% of the lowest responsive and responsible non-local bidder, then the local vendor is given one chance to match the low bid.

PURCHASE ORDER:

After the Troy City Council has approved the award, the City of Troy Purchasing Department will send an award letter to the successful bidder(s). The successful bidder(s) once notified, will be required to submit the specified bonds. A purchase order will be issued in approximately one-week and released, once acceptable bonds and insurance are received. A purchase order issued in conjunction with the Contract Form (provided in the Forms Section) from the City of Troy will create a bilateral contract between the parties, and the successful bidder(s) shall commit to perform the contract in accordance with specifications.

COMPANY NAME: A. Rex Construction, Inc.
Bid Proposal

CONTRACT FORMS:

Bidders should complete the Legal Status of Bidder, Non-Collusion Affidavit, Certification regarding Debarment and the Certification regarding Iran linked Business forms and return with your bid proposal.

CONTRACT TERMINATION: The City of Troy shall reserve the right to terminate the contract upon written notice due to poor performance. The City of Troy designated representative will be solely responsible for determining acceptable performance levels. His/her decision will be deemed in the City of Troy's best interest and will be final. The City of Troy reserves the right to re-award the contract to the next low bidder or re-bid the contract.

TERMINATION FOR CONVENIENCE:

The City may cancel the contract for its convenience, in whole or in part, by giving the contractor written notice 30 days prior to the date of cancellation. If the City chooses to cancel this contract in part, the charges payable under this contract shall be equitably adjusted to reflect those services that are cancelled.

PROGRESS PAYMENTS:

The City of Troy will consider a progress payment schedule for work as completed in accordance with specifications. The Project Construction Manager will have final approval of the schedule as presented. No payments for work will be made until the designated City representative approves the work as complete in accordance with specifications. Prior to release of the final payment, consent of surety document (A1A Document G707) will be required and signed by the Surety Company. The City of Troy reserves the right to reject the payment schedule if deemed necessary, and determine the final schedule.

Proposed Payment Schedule: Payment for work completed by 10th day of following month.
(Please submit an attachment identified as _____ if more space is necessary.)

REFERENCES:

The City of Troy requires that your company list at least three (3) clients who have recently had similar work performed by your company during the past three years.

- COMPANY: Checkers Restaurant
- ADDRESS: 6060 W. Vernor, Detroit, MI 48209
- PHONE: 248-889-1900 CONTACT: Paul Amell
- EMAIL: paulmetrohann@aol.com

- COMPANY: Probility (St. Joe Mercy)
- ADDRESS: 3069 Carpenter Rd. Pittsfield Twp., MI 48197
- PHONE: 734-712-0008 CONTACT: Patrick Hoban
- EMAIL: patrick.hoban@stjoeshealth.org

- COMPANY: Jimmy Johns
- ADDRESS: 566 Tecumseh St. Dundee, MI 48131
- PHONE: 586-524-2413 CONTACT: Mark Eikman
- EMAIL: meickmann2@gmail.com

MICHIGAN CONSTRUCTION LIEN ACT:

The bidder agrees that, if awarded the Contract he/she will abide by all requirements of the Michigan Construction Lien Act (P.A. 1980, No. 497) as amended and effective March 1, 1982, and to provide full and complete Sworn Statements on Owner-approved forms.

COMPANY NAME: A. Rea Construction, Inc

PUBLIC ACT 57:

Public Act 57 requires contractors to provide certain notices to governmental entities concerning improvements on real property; to allow for modifications of contracts for improvement of real property; to provide for remedies; and to repeal acts and parts of acts. This contract shall comply with all applicable provisions of Public Act 57 [a copy of the act is attached for reference (2 pages)].

BOND SUBMITTAL:

Subsequently, upon notice of award to the successful bidder, the Contractor shall qualify for, sign, and deliver to the City of Troy an executed Performance Bond, an executed Labor and Materials Payment Bond, and an executed one-year Maintenance Bond secured by a surety company, acceptable to the City of Troy by being licensed to do business in Michigan, and be included on the U. S. Treasury Department Surety List and/or have a rating of A (-) or better by A. M. Best, and/or Standard and Poor, on standard AIA forms, each in the amount of one hundred percent (100%) of the contract sum. Attorneys-in-fact who sign such bonds must attach a certified copy of their Power of Attorney when the bonds are submitted.

SUBCONTRACTORS:

The undersigned agrees to submit a list of proposed subcontractors, *if applicable*, for approval by the designated City representative within 72 hours after notification of being the low qualified bidder. The Contractor shall list the name and address of the proposed Subcontractors and sub-subcontractors when required by the City. Approval of a Subcontractor or sub-subcontractors will not be given unless and until it is determined by the City that he/she is qualified to perform the type and magnitude of work proposed and shall have executed a Subcontract or sub-subcontract in a form acceptable to the City. It will be understood that this may occur prior to bid award, but the bidder's status will not be final until approved by the Troy City Council.

The Contractor shall abide by the provisions set forth therein. Any item of work performed by other than the Contractor or approved Subcontractors will be considered as unauthorized and shall not be paid for under the provision of the Contract.

COMPLETION SCHEDULE:

The work shall commence upon City Council Approval. A work schedule shall be provided to Mr. Dennis Trantham, Facilities and Grounds Operations Manager. The designated City representative shall approve the work schedule prior to the start of the project. His/her decision as to acceptability shall be deemed in the City of Troy's best interest. The City of Troy is the only party to this contract that may authorize amendment of this schedule. The contractor is required to start the project within 10 working days after notification to proceed.

IMPORTANT INFORMATION:

The City shall have the right to require by written order, changes in, additions to, or deductions from the work required by the Contract Documents provided that if changes, additions, or deductions are made, the general character of the work as a whole is not changed thereby. Adjustments in the Contract price, if any, because of any change, addition, or deduction in the work, shall be determined as hereinafter provided, and any claim for extension of time for completion shall be adjusted at the time of ordering the change, addition, or deduction. No claim for change, addition, or deduction, or adjusting of price, or extension of time for completion thereof, shall be made or allowed unless done in pursuance of written order from the City specifically authorizing such change, addition, or deduction. Drawings without a written order shall not be considered such authority. Written notice of such claims shall be made to the designated City representative before the commencement of the work. Where the written order diminishes the quality of work to be done, this shall not constitute a basis for a claim for damages or anticipated profits on the work that may be dispensed with.

COMPANY NAME: A. Rea Construction, Inc.

Insurance requirements shall be in accordance with the attached **SAMPLE INSURANCE CERTIFICATE and ENDORSEMENT**. The required Insurance Certificate and Endorsement must be submitted to the city within 5 days of the verbal/ electronic request after the bid award. The Insurance Certificate and Endorsement may be faxed to the Purchasing Office at (248) 619-7608, and is the only bid document accepted in this format.

The contractor, or any of their subcontractors, shall not commence work under this contract until they have obtained the insurance required, and shall keep such insurance in force during the entire life of this contract. All coverage shall be with insurance companies licensed and admitted to business in the State of Michigan and acceptable to the City of Troy. The requirements below should not be interpreted to limit the liability of the Contractor. All deductibles and self-insured retentions (SIR's) are the responsibility of the Contractor.

- We can meet the specified insurance requirements.
- We cannot meet the specified insurance requirements.
- We do not carry the specified limits but can obtain the additional insurance coverage of \$ _____, at the cost of \$ _____.
NOTE: Please note the amendments on a sample insurance certificate and attach it to your bid proposal.
- Our proposal is reduced by \$ _____ if we lower the requirement to \$ _____.
NOTE: Please note the amendments on a sample insurance certificate and attach it to your bid proposal.

IMPORTANT: A Certificate of Insurance on an ACORD Form showing present coverage as well as the required endorsements **SHALL** be attached to the proposal document at the time of submission of the proposal to the Office of the City Clerk.

NOTE: Failure on the part of any bidder to contact his/her insurance carrier to verify that the insurance carried by the bidder meets City of Troy specifications may result in this proposal being completed incorrectly.

OTHER: Sole proprietors must execute a certificate of exemption from Worker's Compensation requirements or provide proof of Worker's Compensation Insurance. All coverage shall be with insurance carriers licensed and admitted to do business in Michigan in accordance with all applicable statutes of the State of Michigan and acceptable to the City of Troy.

INSURANCE VERIFICATION:

A bidder shall complete the above portion, which details additional costs that may be incurred for specified coverage without purchasing the additional coverage prior to bid submission.

WORKERS' COMPENSATION INSURANCE, including Employers' Liability Coverage, in accordance with all applicable statutes of the State of Michigan.

COMMERCIAL GENERAL LIABILITY INSURANCE on an "Occurrence Basis" with limits of liability not less than \$1,000,000.00 per occurrence and aggregate. Coverage shall include the following extensions: (A) Contractual liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent, if not already included; (E) Deletion of all Explosion, Collapse, and Underground (XCU) Exclusions, if applicable.

AUTOMOBILE LIABILITY, including Michigan No-Fault Coverages, with limits of liability not less than \$1,000,000.00 per occurrence combined single limit for Bodily Injury, and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.

COMPANY NAME: A. Ren Construction, Inc.
Bid Proposal

ADDITIONAL INSURED:

Commercial General Liability and Automobile Liability, as described in the attached SAMPLE shall include an Additional Insured Endorsement stating the following shall be **Additional Insureds:** The City of Troy including all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and council members, including employees and volunteers thereof. It is understood and agreed by naming the City of Troy as additional insured, coverage afforded is considered to be primary and any other insurance the City of Troy may have in effect shall be considered secondary and/or excess.

CANCELLATION NOTICE:

All policies, as described above, shall include an endorsement stating that it is understood and agreed that Thirty (30) days, Ten (10) days for non-payment of premium, Advance Written Notice of Cancellation, Non-Renewal, Reduction, and/or Material Change shall be mailed to:

City of Troy
Purchasing Manager
500 West Big Beaver
Troy, MI 48084

PROOF OF INSURANCE COVERAGE:

The Contractor shall provide the City of Troy, at the time that the contracts are returned by him/her for execution, a Certificate of Insurance as well as the required endorsements. In lieu of required endorsements, if applicable, a copy of the policy sections where coverage is provided for additional insured and cancellation notice would be acceptable. Copies or certified copies of all policies mentioned above all shall be furnished, if so requested.

If any of the applicable coverages expire during the term of this contract, the Contractor shall deliver renewal certificates and endorsements to the City of Troy at least ten (10) days prior to the expiration date.

LETTER VERIFICATION:

The recommended bidder will be notified to submit a letter from the *insurance agent or carrier* that the insurance to be supplied will meet specifications. As an alternative, the recommended bidder may submit the certificate of insurance meeting specifications at this time at his/her option. ***The City must receive this letter or certificate within 5 business days after verbal / electronic notification has been delivered to the recommended bidder or the bidder will be considered non-responsive and the bid un-awardable.*** This process will occur before presentation of the award recommendation to the Troy City Council.

FINAL INSURANCE CERTIFICATE SUBMISSION:

After approval by Troy City Council, the City's Purchasing Manager will review the insurance certificates and endorsements to ensure all acceptable documents have been received and allow (5) business additional days after verbal / electronic notification to submit final insurance certificate(s) in accordance with specifications. The City of Troy reserves the right to WITHHOLD AND KEEP any bid surety for failure to comply. The company will be considered in default of contract and will be barred from doing business with the City of Troy for a minimum of three (3) years for failing to meet insurance requirements.

COMPANY NAME: A. Ren Construction, Inc.



AREA CONSTRUCTION INC.

Telephone (248) 357-0999
Fax (248) 350-3584
E-Mail michael@areaproperities.us

24001 Telegraph Rd.
Southfield, MI 48033

January 4, 2018

RE: ITB-COT 17-48 Office Renovation – Troy DPW Building – Local Preference

To whom it may concern,

The owner and president of A. Rea Construction, Inc. owns and pays real property taxes on the following parcel commonly known as 2790 W. Maple Rd. in the city of Troy.

Sincerely,

Anthony Rea
Owner/President

SIGNATURE PAGE

PRICES:

Prices shall remain firm for 120 days or bid award, whichever comes first, except the successful bidder(s) whose prices shall remain firm through project completion and final acceptance in accordance with the bid specifications.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE: 

NOTE: The undersigned has checked carefully the bid figures and understands that he/she shall be responsible for any error or omission in this bid offer and is in receipt of all addenda as issued.

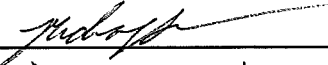
TAX ID: 38-2007142

COMPANY: A. Rea Construction, Inc

ADDRESS: 24001 Telegraph Rd. CITY: Southfield STATE: MI ZIP: 48033

PHONE: (248) 357-0999 FAX NUMBER: (248) 350-3584

REPRESENTATIVE NAME: Michael Rea

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE: 

PAYMENT TERMS: See Progress Payment (pg. 3) WARRANTY: 1 year

CHECK INCLUDED: \$5000 COMPLETION: February 25, 2018

EMAIL: michael@areaconstruction.us

EXCEPTIONS:

Any exceptions, substitutions, deviations, etc. from the City of Troy specifications and this bid proposal must be stated below. The reason for the exception(s), deviation(s), substitution(s), are an integral part of this bid offer.

None

ACKNOWLEDGEMENT:

I, Michael Rea, certify that I have read the **Instructions to Bidders** (2 Pages) and that the bid proposal documents contained herein were obtained directly from the City's Purchasing Department or the MITN website, www.mitn.info and is an official copy of the Authorized Version.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE: 

IMPORTANT: All City of Troy purchases require a MATERIAL SAFETY DATA SHEET, where applicable, in compliance with the MIOSHA "Right to Know" Law. Please include a copy of any relevant MSDS at the time of bid submission.

NOTE: The City of Troy, at their discretion, may require the bidder(s) to supply a Financial Report from an impartial Financial Credit Reporting Service before award of contract.

US FUNDS: All prices are to be quoted in U. S. Currency.



Legal Status of Bidder:

The Bidder shall fill out the appropriate form and strike out the other two:

A corporation duly organized and doing business under the laws of the State of MI for whom Michael Rea, bearing the office title of VP, whose signature is affixed to this proposal, is duly authorized to execute contracts.

A partnership, all members of which, with addresses, is:

~~_____~~ ~~_____~~
~~_____~~ ~~_____~~
~~_____~~ ~~_____~~
~~_____~~ ~~_____~~
~~_____~~ ~~_____~~
~~_____~~ ~~_____~~

AN INDIVIDUAL, WHOSE SIGNATURE IS AFFIXED TO THE PROPOSAL:

~~_____~~ ~~_____~~



CITY OF TROY
OAKLAND COUNTY, MICHIGAN
NON-COLLUSION AFFIDAVIT

TO WHOM IT MAY CONCERN:

Michael Frederick Rea, being duly sworn deposed, says that he/she
(Print Full Name)

is VP. The party making the foregoing proposal or bid,
(State Official Capacity in Firm)

that such bid is genuine and not collusion or sham; that said bidder has not colluded, conspired, connived, or agree, directly or indirectly, with any bidder or person, to put in a sham bid or to refrain from bidding and has not in any manner directly or indirectly sought by agreement or collusion, or communication or conference, with any person to fix the bid price or affiant or any other bidder, or to fix any overhead, profit, or cost element of said bid price, or that of any other bidder, or to secure the advantage against the City of Troy or any person interested in the proposed contract; and that all statements contained in said proposal or bid are true.

[Signature]
SIGNATURE OF PERSON SUBMITTING BID

[Signature]
NOTARY'S SIGNATURE

Subscribed and sworn to before me this 4th day of January, 2018 in and for
Wayne County.

My commission expires:
11-5-2020

MARIELLEN THOMAS
NOTARY PUBLIC, STATE OF
COUNTY OF WAYNE
MY COMMISSION EXPIRES Nov 5, 2020
ACTING IN COUNTY OF oakland



**CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS**

The prospective participant certifies, to the best of its knowledge and belief, that it and its principals:

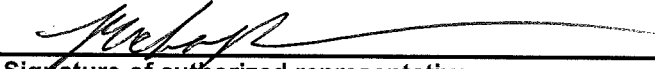
1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in transactions under any non-procurement programs by any federal, state or local agency.
2. Have not, within the three year period preceding, had one or more public transactions (federal, state, or local) terminated for cause or default; and
3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) and have not, within the three year period preceding the proposal, been convicted of or had a civil judgment rendered against it:
 - a. For the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction (federal, state, or local), or a procurement contract under such a public transaction;
 - b. For the violation of federal, or state antitrust statutes, including those proscribing price fixing between competitors, the allocation of customers between competitors, or bid rigging; or
 - c. For the commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.

I understand that a false statement on this certification may be grounds for the rejection of this proposal or the termination of the award. In addition, the general grant of this authority exists within the City's Charter, Chapter 12, Section 12.2- Contracts.

I am able to certify to the above statements.

A. Rea Construction, Inc.
Name of Agency/Company/Firm (Please Print)

Michael Rea, VP
Name and title of authorized representative (Please Print)

 1-4-18
Signature of authorized representative Date

I am unable to certify to the above statements. Attached is my explanation.



**VENDOR CERTIFICATION
THAT IT IS NOT AN
"IRAN LINKED BUSINESS"**

Pursuant to Michigan law, (the Iran Economic Sanctions Act, 2012 PA 517, MCL 129.311 et seq.), before accepting any bid or proposal, or entering into any contract for goods or services with any prospective Vendor, the Vendor must first certify that it is not an "IRAN LINKED BUSINESS", as defined by law.

Vendor	
Legal Name	A. Rea Construction, Inc.
Street Address	24001 Telegraph Rd.
City	Southfield
State, Zip	Michigan, 48033
Corporate I.D. Number/State	800024072/Michigan
Taxpayer I.D. #	38-2007142

The undersigned, with: 1.) full knowledge of all of Vendors business activities, 2.) full knowledge of the requirements and possible penalties under the law MCL 129.311 et seq. and 3.) the full and complete authority to make this certification on behalf of the Vendor, by his/her signature below, certifies that: the Vendor is NOT an "IRAN LINKED BUSINESS" as require by MCL 129.311 et seq., and as such that Vendor is legally eligible to submit a bid and be considered for a possible contract to supply goods and/or services to the City of Troy.

Signature of Vendor's Authorized Agent:



Printed Name of Vendor's Authorized Agent:

Michael Rea

Witness Signature: 

Printed Name of Witness: Mariellen Thomas



500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM

Date: January 5, 2018

To: Brian Kischnick, City Manager

From: MaryBeth Murz, Purchasing Manager
Tom Darling, Financial Services Director
Kurt Bovensiep Public Works Director
Dennis Trantham, Facilities & Grounds Operations Manager
Ashely Levin, Project Manager

Subject: Standard Purchasing Resolution 2 & Standard Purchasing Resolution 4 NJPA/NIPA
Purchasing Cooperatives - Office Renovation – Department of Public Works Building

History

- The Department of Public Works facility was built in 1972 and has had one major renovation since then in 2001.
- An update to the Department of Public Works facility has been a highly anticipated project for the past few years.
- In 2015, staff worked with John Tagle Associates, Inc. to create a renovation plan.
- With changing dynamics of the services offered at the DPW, the renovation plan includes front office re-configuration to provide a more collaborative work environment, improvement to the customer service desk, a walk-up receiving window on the north side of the building, and the ability to accommodate staff from the Facilities and Grounds division.
- In addition to renovations for the building, staff worked with Interior Environments to provide a quote for new furnishings for the expanded office areas, Facilities and Grounds staff, and replacement of current furnishings/carpet.
- Because furnishings can be purchased through a cooperative, those items were not included as part of the renovation bid.
- The renovations are anticipated to begin in late January 2018 with an expected completion of March 2018.

Purchasing

On January 4, 2018, a bid opening was conducted as required by City Charter and Code to furnish all equipment, material and labor for the office renovation at the Department of Public Works facility. The bid was posted on the Michigan Inter-governmental Trade Network (MITN) website; www.mitn.info. Six (6) bid responses were received. Below is a detailed summary of potential vendors:

Companies notified via MITN	1862
Troy Companies notified via MITN	29
Troy Companies - Active email Notification	26
Troy Companies - Active Free	3
Companies that viewed the bid	153
Troy Companies that viewed the bid	4

MITN provides a resourceful online platform to streamline the procurement process, reduce costs, and make it easier and more transparent for vendors to do business with the City of Troy.

Active MITN members with a current membership and paying annual dues receive automatic electronic notification which allows instant access to Bids, RFPS and Quote opportunities with the City.

Active MITN non-paying members are responsible to monitor and check the MITN website for opportunities to do business with the City.

Inactive MITN member status can occur when a company does not renew their account upon expiration. Inactive members cannot be notified of solicitations or access any bid information.



500 West Big Beaver
 Troy, MI 48084
 troymi.gov

Purchasing (Continued)

- After reviewing the bid proposals, *A.Rea Construction, Inc. of Southfield, MI* was the low bidder meeting all specifications. The Company also had positive references.
- The detailed Bid tabulation is attached.
- New carpet for the office is based on the NJPA Purchasing Cooperative Contract #121715-IFA.
- The Allsteel furniture pricing is based on the NIPA Purchasing Cooperative Contract #R142201.
- *Interior Environments of Novi, MI* is a local authorized dealer and installer for Shaw carpet and Allsteel furniture.

	Furniture	\$103,413.45
	Flooring	\$32,875.00
	Freight	\$425.00
	Install	<u>\$6,890.00</u>
Interior Environments		\$143,603.45
A. Rea Construction, Inc. Office Renovation		\$54,000.00
Contingency (15%)		<u>\$8,100.00</u>
Total Office Renovation		\$205,703.45

Financial

Funds for this purchase are available in the Capital budgets of each Department of the Public Works Department as detailed below:

	<u>Project#</u>	<u>Budget</u>
Streets/Major Roads Streets	2018C0013	\$50,000
Local Streets	2018C0025	\$50,000
DPW Administration	2018C0033	\$50,000
Sewer	2018C0067	\$100,00

Recommendation

City management recommends awarding a contract for renovations to the Department of Public Works Facility to the low bidder meeting specifications, *A.Rea Construction, Inc of Southfield, MI* for an estimated total cost of \$54,000.00 as contained in the bid tabulation opened on Thursday, January, 4, 2018 with a 15% contingency of \$8,100.00 not to exceed budgetary limitations for a grand total of \$62,100. Additionally, City Management recommends awarding a contract for the purchase of office furnishings for the Department of Public Works Facility as detailed in the attached quote from *Interior Environments of Novi, MI*. Interface Americas will be supplying the carpet and vinyl tile under NJPA contract # 121715-IFA and the furniture will be supplied through Allsteel Furniture Systems under NIPA contract #R142201 for an estimated cost of \$143,603.45; with the grand total estimated cost of the office renovation project being \$205,703.45 as detailed above.

Standard Purchasing Resolution 2: – Low Bidder Meeting Bid Specifications and Standard Purchasing Resolution 4 – NJPA/NIPA Purchasing Cooperatives – Office Renovation – Department of Public Works Building

RESOLVED, That Troy City Council hereby AWARDS a contract for renovations to the Department of Public Works Facility to the low bidder meeting specifications, *A.Rea Construction, Inc of Southfield, MI* for an estimated total cost of \$54,000.00 as contained in the bid tabulation opened on Thursday, January, 4, 2018; which is ATTACHED; with a 15% contingency of \$8,100.00 not to exceed budgetary limitations for a grand total of \$62,100.

RESOLVED ,That Troy City Council herby AWARDS a contract for the purchase of office furnishings for the Department of Public Works Facility to *Interior Environments of Novi, MI.* as detailed in the quote which is ATTACHED as per NJPA Purchasing Cooperative Contract # 121715-IFA and NIPA Purchasing Cooperative Contract #R142201 for an estimated cost of \$143,603.45; with the grand total estimated cost of the office renovation being \$205,703.45.

BE IT FURTHER RESOLVED, that the award is contingent upon contractor's submission of properly executed contract documents, including insurance certificates and all other specified requirements.



BALCINT-01

TMALECKI

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

01/23/2018

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

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

PRODUCER Insurance Exchange Agency 670 Griswold Suite 100 Northville, MI 48167	CONTACT NAME: Tricia Shaw PHONE (A/C, No, Ext): (248) 869-8017 E-MAIL ADDRESS: tshaw@ieagency.com	FAX (A/C, No):	
	INSURER(S) AFFORDING COVERAGE		NAIC #
INSURED Balco Interiors, LLC, dba Interior Environments 48700 Grand River Ave. Novi, MI 48374	INSURER A: Frankenmuth Mutual Insurance Company		13986
	INSURER B:		
	INSURER C:		
	INSURER D:		
	INSURER E:		
	INSURER F:		

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	X		BOP1967765	04/14/2017	04/14/2018	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			BA 1967765	04/14/2017	04/14/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			BOP1967765	04/14/2017	04/14/2018	EACH OCCURRENCE \$ 6,000,000 AGGREGATE \$ Aggregate \$ 6,000,000
A	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	WC 1967765	04/14/2017	04/14/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

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

Office Furniture installation

City of Troy is additional insured with respect to the general liability for work performed by the named insured per written contract for ongoing and completed operations. This insurance is primary and non contributory.

CERTIFICATE HOLDER**CANCELLATION**

City of Troy 500 W. Big Beaver Troy, MI 48084	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Tricia Shaw</i>
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INSURER: FRANKENMUTH MUTUAL INSURANCE COMPANY

NAMED INSURED	POLICY NO.	POLICY TERM	AGENT NO.
BALCO INTERIORS LLC AND OTHER NAMED INSURED	BOP 1967765	04-14-2017 to 04-14-2018	0210377

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**Additional Insured -- Owners, Lessees Or
Contractors -- Automatic Status When Required
In Construction Agreement With You -- Limited
Products-Completed Operations Coverage**

This endorsement modifies insurance provided under the following:

BUSINESS PROTECTOR LIABILITY COVERAGE FORM

A. The following is added to **Section II -- Who Is An Insured:**

Any person(s) or organization(s) for whom you are performing operations is also an additional insured, if you and such person(s) or organization(s) have agreed in writing in a contract or agreement that such person(s) or organization(s) be included as an additional insured on your policy. But:

1. Such person(s) or organization(s) is an additional insured only with respect to liability for "bodily injury", "property damage", "personal injury" and "advertising injury" caused, in whole or in part, by:
 - a. Your acts or omissions; or
 - b. The acts or omissions of those acting on your behalf;in the performance of "your work" for the additional insured; and

2. Such written contract or agreement must be:
 - a. Currently in effect or becoming effective during the term of this policy; and
 - b. Executed prior to the "bodily injury", "property damage", or "personal and advertising injury".

- B. The coverage provided the additional insured by this endorsement does not apply to "bodily injury" or "property damage" arising out of the "products-completed operations hazard" unless required by the written contract or written agreement. When coverage does apply to "bodily injury" or "property damage" arising out of the "products-completed operations hazard", such coverage will not apply beyond the lessor of:
1. The period of time required by the written contract or written agreement; or
 2. Five years from the completion of "your work" on the project which is the subject of the written contract or written agreement.

INSURER: FRANKENMUTH MUTUAL INSURANCE COMPANY

NAMED INSURED	POLICY NO.	POLICY TERM	AGENT NO.
BALCO INTERIORS LLC AND OTHER NAMED INSURED	BOP 1967765	04-14-2017 to 04-14-2018	0210377

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**Primary And Noncontributory --
Other Insurance Condition**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following is added to Paragraph H. **Other Insurance of Section III -- Common Policy Conditions** and supersedes any provision to the contrary:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

1. The additional insured is a Named Insured under such other insurance; and

2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

NAMED INSURED
BALCO INTERIORS LLC AND OTHER NAMED INSURED

POLICY NO.
BOP 1967765

POLICY TERM
04-14-2017 to 04-14-2018

AGENT NO.
0210377

(3) "Tampering" means an actual or alleged, intentional, malicious and wrongful alteration or contamination of "your product" which renders it unfit or dangerous for use or consumption or conveys that impression to the public.

(4) "Your product" means:

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

(i) You;

(ii) Others trading under your name; or

(iii) A person or organization whose business or assets you have acquired; and

(b) Containers (other than vehicles), materials, parts or equipment furnished in conjunction with such goods or products.

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

h. Paragraph B.1.o. does not apply to the coverage provided by this endorsement.

11. Supplementary Payments

Paragraph A.1.f. is amended as follows:

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

12. Transfer of Rights of Recovery Against Others To Us

Transfer of Rights of Recovery Against Others To Us is amended by the addition of the following:

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 your ongoing operations or "your work" included in the "products-completed operations hazard" when you have assumed liability for such injury or damage under an "insured contract".

13. Voluntary Property Damage

a. Exclusion k.(4) does not apply to personal property of others in your care, custody or control on which you are performing operations, provided that the "occurrence" takes place away from property you own, rent or occupy.

b. Exclusions k.(5) and k.(6) do not apply to the first \$5,000 of "property damage" for each "occurrence" provided that the "occurrence" takes place away from property you own, rent or occupy.

c. We will pay at the request of the named insured, for loss or damage to the property of others covered in the above extension subject to a limit of \$5,000 for each "occurrence" and a \$250 deductible for each claim. If we so request, the named insured shall replace the damaged property or furnish the labor and materials necessary for repairs at actual cost to the insured, excluding profit or overhead charges.

d. The Limit of Liability stated in the Declarations for Liability and Medical Payments DOES NOT APPLY to the Voluntary Property Damage coverage provided in this provision 13.

e. The Limit of Liability applicable to this Voluntary Property Damage provision 13. is as follows:

Limit of Liability:

\$5,000 Each "Occurrence"

\$10,000 Aggregate

"Aggregate limit", as used in this provision 13., refers to the total limit of liability for any annual policy period, regardless of the number of "occurrences", insureds, claims made, or "suits" brought during that annual policy period.

14. Water Damage Legal Liability

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "property damage" arising out of water damage to premises that are both rented to and occupied by you. The most we will pay for all "property damage" arising out of any one "occurrence" is \$50,000.

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b. Comprehensive Coverage is extended only for "loss" because of:

- (1) Fire;
- (2) Lightning; or
- (3) Theft or attempted theft, if there are visible signs of someone breaking into the covered "auto". However, visible signs of someone breaking into the covered "auto" are not a requirement for b.(3) to apply when the entire vehicle is stolen.

c. This coverage extension does not apply to any property covered under the:

- (1) Personal Property Coverage of this policy;
- (2) Business Personal Property Coverage of this policy; or
- (3) Communications Device Coverage of this policy.

d. The most we will pay for "loss" in any one "accident" is the least of:

- (1) The actual cash value of the damaged or stolen property as of the time of the "loss";
- (2) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
- (3) \$1,000.

e. For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by a deductible of \$50.

22. Towing

We will pay up to \$50, subject to a policy aggregate of \$500, for towing and labor costs incurred each time a covered "auto" of the private passenger, pickup, panel truck or van type is disabled. However, the labor must be performed at the place of disablement.

23. Transfer of Rights of Recovery Against Others To Us

SECTION IV -- BUSINESS AUTO CONDITIONS, Paragraph 5. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US is replaced by the following:

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract executed prior to any "accident" or "loss", provided 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.

24. Unintentional Failure to Disclose Hazards

If you unintentionally fail to disclose any hazards existing at the inception date of your policy, we will not deny coverage under this Coverage Form because of such failure.

25. Waiver of Collision Deductible

Under SECTION III -- PHYSICAL DAMAGE COVERAGE, Collision Coverage is amended by adding the following:

a. When a deductible is indicated in the Declarations for Collision Coverage, we will reduce our payment by that amount. However, the deductible will not apply:

(1) In a collision with another covered "auto":

(a) We insure and which you do not own, rent or have in your care, custody or control; or

(b) Whose owner or operator has been identified; and

(i) Is legally responsible for the entire amount of the damage; and

(ii) Is covered by a "property damage" liability policy or bond,

but only if the damage exceeds the deductible amount.

(2) To your legally parked covered "auto" in the event it is accidentally struck by another of your covered "autos", provided Collision Coverage applies to both such covered "autos".

INSURER: FRANKENMUTH MUTUAL INSURANCE COMPANY

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NAMED INSURED	POLICY NO.	POLICY TERM	AGENT NO.
BALCO INTERIORS LLC AND OTHER NAMED INSURED	WC 1967765	04-14-2017 to 04-14-2018	0210377

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agree-

ment applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

Schedule



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/4/2018

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

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

PRODUCER VTC Insurance Group Farmington Hills Office 37000 Grand River Ave. Ste 150 Farmington Hills MI 48335		CONTACT NAME: Jennifer Medwid PHONE (A/C, No, Ext): (248) 471-0970 FAX (A/C, No): (248) 471-0641 E-MAIL ADDRESS: jmedwid@gswins.com	
INSURED A Rea Construction Inc. 24001 Telegraph Road Southfield MI 48033-3031		INSURER(S) AFFORDING COVERAGE INSURER A: Hastings Mutual Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	
		NAIC # 14176	

COVERAGES

CERTIFICATE NUMBER: 17/18 Liability

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:		CPP9298715	6/5/2017	6/5/2018	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		ACV9298716	6/5/2017	6/5/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Uninsured motorist combined \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 0	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE	ULC9306778	6/5/2017	6/5/2018	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/> N/A	WC9298717	6/5/2017	6/5/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

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

Where required by written contract, City of Troy is additional insured on the General Liability policy with respect to liability arising out of the ongoing operations performed by the named insured. Where required by written contract, additional insured coverage provided under the general liability applies on a primary and noncontributory basis.

CERTIFICATE HOLDER**CANCELLATION**

City of Troy
 500 W. Big Beaver Road
 Troy, MI 48084

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

AUTHORIZED REPRESENTATIVE

Jeffrey Bentley/JLM1

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED – PRIMARY AND NON-CONTRIBUTORY INSURANCE

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 this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

Endorsement Effective:	Countersigned By: <p style="text-align: right;">(Authorized Representative)</p>
------------------------	--

Any person or organization with whom you agreed because of a written contract, agreement or permit, to provide Liability Coverage afforded under Section II of the Coverage Form, but only with respect to your ownership, maintenance or use of a covered "auto". This coverage only applies to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in Section II of the Coverage Form. This provision only applies if the written contract or agreement has been executed or permit issued prior to the "bodily injury" or "property damage".

The insurance provided to the additional insured applies on a primary and non-contributory basis when a written contract that is signed and executed before the damage occurs, and that is in effect during the policy period, requires this insurance to be primary and non-contributory.

HASTINGS MUTUAL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTRACTORS PLUS ENDORSEMENT

This endorsement modifies insurance provided under the following in the Property Section:

- BUILDING AND PERSONAL PROPERTY COVERAGE FORM
- CAUSES OF LOSS – SPECIAL FORM
- BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

This endorsement modifies insurance provided under the following in the Liability Section:

- COMMERCIAL GENERAL LIABILITY COVERAGE FORM

COVERAGE LIMITS

The following is a summary of coverage limits provided by this endorsement. It is subject to the terms and conditions of your policy except as amended herein.

Property Limits

Accounts Receivable	\$35,000
Arson and Theft Reward	\$30,000
Back Up of Sewers or Drains	\$25,000
Building Glass Coverage for Tenants	\$10,000
Business Income from Dependent Properties	\$50,000
Changes in or Extremes of Temperature or Humidity	\$5,000
Debris Removal – Additional Limit	\$25,000
Employees Tools	\$10,000
Fire Department Service Charge	\$7,500
Fire Extinguisher Recharge Expense	\$2,500
Lock Replacement Expense	\$500
Newly Acquired or Constructed:	
Buildings	\$500,000
Personal Property	\$100,000
Ordinance or Law:	
Loss to Undamaged Portion of Building	Included
Demolition Cost	\$15,000
Increased Cost of Construction	25%
Outdoor Property	\$10,000
Each tree, shrub or plant	\$500
Patterns, Dies, Molds and Forms – Theft Limitation Waiver	
Personal Effects and Property of Others at each described premises	\$10,000
Personal Property Off Premises Worldwide	\$50,000
Pollutant Clean Up and Removal – Aggregate Limit per Location	\$30,000
Property Off Premises	\$100,000
Property in custody of Salespersons	\$5,000
Property in Transit	\$50,000
Utility Services – Direct Damage – Limit per Location	\$50,000
Utility Services – Time Element – Limit per Location	\$50,000
Valuable Papers and Records	\$25,000

Crime Limits

Employee Dishonesty	*\$25,000
Extortion Coverage	\$25,000
Forgery or Alteration Coverage	\$25,000
Debit, Credit or Charge Card Forgery	\$5,000
Money and Securities – Inside the Premises and in the care and custody of a Messenger Outside the Premises	*\$25,000
Money Orders and Counterfeit Paper Currency Coverage	\$10,000

* The limits shown above for Employee Dishonesty and Money and Securities are provided hereunder, plus the limit, if any, shown in the Declarations for each of those coverages.

Liability Limits

Aggregate Limit – Per Location/Per Project

Automatic Additional Insured Coverage – By Contract, Agreement or Permit

Automatic Additional Insured Coverage for Vendors

Broad Form Property Damage – \$5,000 Occurrence

1. Coverage for Property Loaned to an Insured
2. Coverage for Customer's Property in the Insured's care, custody or control
3. Coverage for Customer's Property due to the Insured's work being incorrectly performed upon it

Broadened Knowledge of Occurrence

Damage to Rented Premises – Fire and Lightning, Smoke, Soot or Leakage from a Fire Protection System

Fire Damage Additional Limit – \$50,000

Incidental Medical Services – Nurse, Medical Technician or Paramedic

Limited Fungi or Bacteria Coverage – \$50,000

Medical Payments – Additional Limit \$5,000

Non-Owned Watercraft – Less than 51 feet

Primary and Noncontributory – Other Insurance Condition

Product Recall Expense – \$25,000

Supplementary Payments – Additional Limits

1. Bail Bonds increased to \$1,000
2. Loss of Earnings increased to \$300

PROPERTY SECTION

Building and Personal Property Coverage Form

Causes of Loss – Special Form

Business Income (and Extra Expense) Coverage Form

Deductible Provisions

Except as provided below, loss or damage payable under this section is subject to the property deductible provisions applying to covered property to which this endorsement applies.

A maximum deductible of \$250 applies to Personal Property Off Premises.

No deductible applies to the following: Accounts Receivable, Arson Reward, Business Income/Extra Expense, Fire Department Service Charge, Fire Extinguisher Recharge Expense or Lock Replacement.

Accounts Receivable

We will pay the amounts due from your customers that you are unable to collect resulting from direct physical loss or damage by any Covered Cause of Loss to your records of Accounts Receivable at the described premises. This includes:

- A. Interest charges on any loan required to offset amounts you are unable to collect;
- B. Collection expenses in excess of your normal collection expenses made necessary by the loss or damage; and
- C. Other reasonable expenses that you incur to reestablish your records of Accounts Receivable.

The most we will pay under this coverage is \$35,000 in any one occurrence of loss.

Arson and Theft Reward

We will pay a reward of \$30,000 in total:

- A. For information which leads to an arson conviction in connection with a fire loss sustained at the described premises; or
- B. For information which leads to a theft conviction in connection with a theft loss sustained at the described premises.

In the event that a theft loss and an arson loss result from the same event, the most we will pay for that event is \$30,000.

Back Up of Sewers or Drains

We will pay for direct loss or damage to covered property at the described premises caused directly or indirectly by water that backs up through a sewer or drain or overflows from a sump pump system.

The most we will pay for loss or damage under this coverage provision is \$25,000 in any one occurrence of loss.

Building Glass Coverage for Tenants

Under Covered Property, a limit of \$10,000 is provided to cover building glass for which the insured, as a tenant, is responsible.

Business Income from Dependent Properties

A. In the Business Income (and Extra Expense) Coverage Form, Coverage, with respect to "dependent property", is replaced by the following:

Coverage

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to "dependent property" caused by or resulting from a Covered Cause of Loss. However, coverage does not apply when the only loss to "dependent property" is loss or damage to electronic data, including destruction or corruption of electronic data. If the "dependent property" sustains loss or damage to electronic data and other property, coverage under this endorsement will not continue once the other property is repaired, rebuilt or replaced. The term electronic data has the meaning set forth in the Business Income (and Extra Expense) Coverage Form.

B. The provisions of the Business Income (and Extra Expense) Coverage Form respecting direct physical loss or damage at the described premises will apply separately to each "dependent property". The Limit of Insurance is separate from any Business Income Limit of Insurance in this policy applicable when direct physical loss or damage occurs at your premises.

C. With respect to "dependent property", the following replaces the Resumption Of Operations Provision in the Loss Determination Loss Condition:

Resumption of Operations

We will reduce the amount of your:

1. Business Income loss, other than Extra Expense, to the extent you can resume "operations", in whole or in part, by using any other available:
 - a. Source of materials; or
 - b. Outlet for your products.
2. Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

D. 1. The following is added to the Definitions Section:

"Dependent Property" means property operated by others whom you depend on to:

a. Deliver materials or services to you, or to others for your account (Contributing Locations). But any property which delivers any of the following services is not a Contributing Location with respect to such services:

- (1) Water supply services;
- (2) Power supply services; or
- (3) Communication supply services, including services relating to internet access or access to any electronic network;

b. Accept your products or services (Recipient Locations);

c. Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or

d. Attract customers to your business (Leader Locations).

2. The Period of Restoration Definition, with respect to "dependent property", is replaced by the following:

"Period of restoration" means the period of time that:

- a. Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property"; and
- b. Ends on the date when the property at the premises of the "dependent property" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

- a. Regulates the construction, use or repair, or requires the tearing down of any property; or

- b. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

E. Limit of Insurance

The most we will pay for loss in any one occurrence is \$50,000.

Changes in or Extremes of Temperature or Humidity

Exclusion **B.2.d.(7)(b)** in Causes of Loss – Special Form does not apply. We will pay up to \$5,000 for loss or damage to covered perishable goods at the described premises caused by or resulting from changes in or extremes of temperature or humidity. This includes interruption of power on or away from the described premises.

Debris Removal – Additional Limit

Under Additional Coverage **A.4.** in the Building and Personal Property Coverage Form, the Debris Removal Additional Limit is increased from \$10,000 to \$25,000.

Employees Tools

Your Business Personal Property insurance is extended to cover tools owned by your employees and used in your business at the described premises. The most we will pay for loss or damage in any one occurrence of loss is \$10,000.

Fire Department Service Charge

Under Additional Coverage **A.4.c.** in the Building and Personal Property Coverage Form, the Fire Department Service Charge Additional Limit is increased from \$1,000 to \$7,500.

Fire Extinguisher Recharge Expense

We will pay the cost to recharge your fire extinguisher system after it is used to extinguish or prevent a fire to covered property at the described location.

The most we will pay for this expense is \$2,500 for any one occurrence.

Lock Replacement

We will pay necessary expenses, up to \$500, to duplicate your keys or replace existing door locks and tumblers on the described premises in the event your keys are stolen.

Newly Acquired or Constructed Property

Under Coverage Extension **A.5.a.** in the Building and Personal Property Coverage Form:

- A. The most we will pay for loss or damage under this extension for Buildings is increased from \$250,000 to \$500,000 at each building; and
- B. The most we will pay for loss or damage under this extension for Your Business Personal Property is \$100,000 at each building.

Ordinance or Law Coverage

This coverage supersedes Additional Coverage **A.4.e.**, Increased Cost of Construction, in the Building and Personal Property Coverage Form. This coverage is subject to the deductible applying to the building at the described location to which this coverage applies.

- A. **Coverage for Loss to the Undamaged Portion of the Building** – If a Covered Cause of Loss occurs to a covered Building at a described location, we will pay for loss to the undamaged portion of the building caused by enforcement of any ordinance or law that requires the demolition of the undamaged portion. The ordinance must be in force at the time of loss. This is not additional insurance, but included within the covered Building limit of insurance shown in the Declarations.
- B. **Demolition Cost Coverage** – If a Covered Cause of Loss occurs to a covered Building at a described location, we will pay the cost to demolish and clear the site of undamaged parts of the property caused by enforcement of any building, zoning or land use ordinance or law. The most we will pay for Demolition Costs shall not exceed \$15,000.

- C. **Increased Cost of Construction Coverage** – If a Covered Cause of Loss occurs to a covered Building at a described location, we will pay for the increased cost to repair, rebuild or construct the property caused by enforcement of building, zoning or land use ordinances or laws.

This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.

The Coinsurance Additional Condition does not apply to Increased Cost of Construction Coverage.

We will not pay for any increased cost of construction if the building is not repaired or replaced.

The most we will pay for Increased Cost of Construction Coverage is the lesser of:

1. The actual increased cost of construction; or
2. Not more than 25% of the limit of insurance applying to the covered Building.

We will not pay for:

1. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
2. The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

Outdoor Property

Coverage Extension A.5.e. of the Building and Personal Property Coverage Form is amended as follows:

- A. The Covered Causes of Loss applying to Outdoor Property are broadened and include any Covered Cause of Loss applying to your covered Buildings or Business Personal Property described in the Declarations.
- B. The most we will pay for loss or damage to Outdoor Property is increased to \$10,000, but not more than \$500 for any one tree, shrub or plant.

Patterns, Dies, Molds and Forms – Theft Limitation Waiver

The Theft limitation applying to patterns, dies, molds or forms contained in Paragraph C.3.c of the Causes of Loss – Special Form does not apply.

This coverage is subject to the deductible applying to Business Personal Property at the described location to which this coverage applies.

Personal Effects and Property of Others

Paragraph A.5.b. of the Building and Personal Property Coverage Form is replaced by the following:

- (1) The insurance applying to Your Business Personal Property is extended to cover personal effects owned by you, your officers, your partners or your employees, except tools belonging to your employees. Personal effects are covered for loss or damage by a Covered Cause of Loss, including theft.
- (2) We cover personal property of others in your care, custody or control, except tools belonging to your employees.

The most we will pay for loss or damage under this extension is \$10,000 at each described premises.

Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

Personal Property Off-Premises Worldwide

Under Coverage Extension A.5.d. in the Building and Personal Property Coverage Form, Coverage Territory in Commercial Property Conditions does not apply. The most we will pay for loss or damage under this extension for Personal Property worldwide is increased from \$10,000 to \$50,000.

Pollutant Clean Up and Removal

Under Additional Coverage A.4.d. in the Building and Personal Property Coverage Form, the Pollutant Clean Up and Removal Additional Limit is increased from \$10,000 to \$30,000.

Property Off Premises and Property in Transit

Coverage Extension A.5.d. of the Building and Personal Property Coverage Form and Additional Coverage Extension F.1. of the Causes of Loss – Special Form are deleted and replaced by the following:

Property Off Premises – The insurance provided by the Building and Personal Property Coverage Form is extended to apply to Covered Property (including stock) that is temporarily at a location you do not own, lease or operate. This includes property at fairs or exhibitions, property in or on a vehicle, and property in the care, custody or control of your salespersons or employees. It also includes property temporarily at the residence of a person authorized to have custody of the property.

Property in Transit – The insurance provided by the Causes of Loss – Special Form Coverage Part is extended to apply to your Covered Property while it is in transit between points in the Coverage Territory.

The most we will pay under this extension is increased to \$100,000 in any one occurrence of loss, but not more than:

- A. \$5,000 on samples and other property carried by salespersons for demonstration purposes; and
- B. \$50,000 for property while in transit

Utility Services

DIRECT DAMAGE AND TIME ELEMENT

Covered Property

Buildings and Personal Property at locations scheduled in the Declarations.

Exception

Coverage under Utility Services – Direct Damage for loss or damage to Covered Property does not apply to loss or damage to electronic data, including destruction or corruption of electronic data.

Coverage under Utility Services – Time Element does not apply to Business Income or Extra Expense related to interruption in utility service which causes loss or damage to electronic data, including destruction or corruption of electronic data.

The term electronic data has the meaning set forth in the Building and Personal Property Coverage Form.

Utility Services

A. **Water Supply Services**, meaning the following types of property supplying water to the described premises:

- 1. Pumping stations; and
- 2. Water mains.

B. **Communication Supply Services**, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- 1. Communication transmission lines, including optic fiber transmission lines;
- 2. Coaxial cables; and
- 3. Microwave radio relays except satellites.

Overhead transmission lines are included.

C. **Power Supply Services**, meaning the following types of property supplying electricity, steam or gas to the described premises:

- 1. Utility generating plants;
- 2. Switching stations;
- 3. Substations;
- 4. Transformers; and
- 5. Transmission lines.

Overhead transmission lines are included.

DIRECT DAMAGE

Coverage

We will pay for loss of or damage to Covered Property described above, caused by an interruption in utility service to the premises described above. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to utility services described above if such utility services are located off the described premises.

Limit of Insurance

The Limit of Insurance for Utility Services – Direct Damage is \$50,000 per location.

TIME ELEMENT

Coverage

Your coverage for Business Income and Extra Expense, as provided in the Business Income (and Extra Expense) Coverage Form, is extended to apply to a "suspension" of "operations" at the premises described above caused by an interruption in utility services to that premises. The interruption in utility services must result from direct physical loss or damage by a Covered Cause of Loss to utility services described above if such utility services are located outside of a covered building described in the Declarations.

Coinurance

The Coinurance Additional Condition does not apply to this coverage.

Limit of Insurance

The Limit of Insurance for Utility Services – Time Element is \$50,000 per location.

Valuable Papers and Records

Coverage Extension A.5.c. of the Building and Personal Property Coverage Form is amended as follows:

The most we will pay under this extension is increased to \$25,000.

CRIME SECTION

Commercial Crime Coverage

The following coverages are added to the policy in accordance with the terms and conditions contained herein. Refer to the Crime General Provisions for common General Exclusions, Conditions and Definitions applying to all coverages.

Throughout this endorsement, 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.

Words and phrases in quotation marks are defined in this endorsement.

Money and Securities Coverage

A. Coverage – We will pay for the theft, disappearance or destruction of "money" and "securities" used in your business while inside the "premises" or in the care and custody of a "messenger" outside the "premises".

We will also pay for loss of, and loss from damage to, a safe, vault, cash register, cash box or cash drawer located inside the "premises" resulting directly from the actual or attempted theft or unlawful entry into those containers.

B. Additional Exclusions, Conditions and Definitions – In addition to the Crime General Provisions contained herein, this coverage is subject to the following:

1. Additional Exclusions

We will not pay for loss resulting from:

- a. Accounting or arithmetical errors;
- b. The giving or surrendering of property in any exchange or purchase;
- c. Property contained in any money-operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device;
- d. Property after it has been transferred or surrendered to a person or place outside the "premises":

(1) On the basis of unauthorized instructions; or

(2) As a result of a threat to do bodily harm to any person or damage to any property.

But Subparagraph (2) above does not apply to loss of the property while in the care or custody of a "messenger" if you:

(1) Had no knowledge of any threat at the time the conveyance began; or

(2) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat; or

- e. Your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

2. Additional Condition – Duties in the Event of Loss – If you have reason to believe that any loss of, or loss from damage to, covered property involves a violation of law, you must notify the police.

3. Additional Definitions

- a. "Premises" means the interior of that portion of any building you occupy in conducting your business, including the interior of that portion of any building occupied by a banking institution or similar safe depository.
- b. "Messenger" means you, any of your partners, an "employee", or an armored motor vehicle company while having care and custody of the property outside the "premises".
- c. "Occurrence" means an:
 - (1) Act, or series of related acts, involving one or more persons; or
 - (2) Act, or series of related acts, or events not involving any person.

C. Limit of Insurance

The most we will pay for loss in any one "occurrence" is \$25,000 plus the limit, if any, shown in the Declarations for Money and Securities Coverage.

Money Orders and Counterfeit Paper Currency Coverage

A. Coverage – We will pay for loss due to the acquisition of covered property resulting directly from the Covered Causes of Loss.

Covered Property means:

1. Money orders, including counterfeit money orders, of any United States or Canadian post office, express company, or national or state (or Canadian) chartered bank; and
2. Counterfeit United States or Canadian paper currency.

Covered Causes of Loss – Acceptance in good faith, in exchange for merchandise, money or services, of:

1. Any money order that is not paid upon presentation; and
 2. Counterfeit United States or Canadian paper currency;
- that is acquired during the regular course of business.

B. Additional Exclusions, Conditions and Definitions – In addition to the Crime General Provisions contained herein, this coverage is subject to the following:

1. **Additional Exclusions** – We will not pay for loss specified below:
 - a. The giving or surrendering of property in any exchange or purchase; or
 - b. Your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title or possession of any property.
2. **Additional Condition** – Duties in the Event of Loss – If you have reason to believe that any loss of, or loss from damage to, covered property involves a violation of law, you must notify the police.
3. **Additional Definition**
"Occurrence" means an:
 - a. Act, or series of related acts, involving one or more persons; or
 - b. Act, or series of related acts, or events not involving any person.

C. Limit of Insurance

The most we will pay for loss in any one "occurrence" is \$10,000.

Employee Dishonesty Coverage

A. Coverage – We will pay for loss of, and loss from damage to, "money", "securities" and "property other than money and securities" resulting from "employee dishonesty".

We will also pay for loss caused by an "employee" while temporarily outside the territory specified in the Crime General Provisions section contained in this endorsement.

B. Additional Exclusions, Conditions and Definitions – In addition to the Crime General Provisions contained herein, this coverage is subject to the following:

1. **Additional Exclusions**
We will not pay for loss as specified below:
 - a. Loss caused by any "employee" for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
 - b. Loss, or that part of any loss, the proof of which, as to its existence or amount, is dependent upon an inventory computation or a profit and loss computation.
2. **Additional Condition**
This insurance is cancelled as to any "employee":
 - a. Immediately upon discovery by:
 - (1) You; or
 - (2) Any of your partners, officers or directors not in collusion with the "employee";of any dishonest act committed by that "employee", whether before or after becoming employed by you; or
 - b. On the date in the notice mailed to you. That date will be at least 30 days after the date of mailing. Mailing of the notice to the last address known to us will be sufficient proof of notice. Delivery of notice is the same as mailing.

3. Additional Definitions

- a. "Employee dishonesty" means only dishonest acts committed by an "employee", whether identified or not, acting alone or in collusion with other persons, except you or a partner, with the manifest intent to:
- (1) Cause you to sustain loss; and also
 - (2) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
 - (a) The "employee"; or
 - (b) Any person or organization intended by the "employee" to receive that benefit.
- b. "Occurrence" means all loss caused by, or involving, one or more "employees", whether the result of a single act or series of acts.

C. Limit of Insurance

The most we will pay for loss in any one "occurrence" is \$25,000 plus the limit, if any, shown in the Declarations for Employee Dishonesty Coverage.

Extortion Coverage

A. Coverage – We will pay for loss of "money", "securities" and "property other than money and securities" by "extortion".

B Additional Exclusions, Conditions and Definitions – In addition to the Crime General Provisions contained herein, this coverage is subject to the following:

1. Additional Exclusion

We will not pay for loss of property surrendered before a reasonable effort has been made to report an extortionist's demand to all the following:

- a. An associate;
- b. The Federal Bureau of Investigation; and
- c. Local law enforcement authorities.

2. Additional Conditions

- a. Policy Period – Loss is covered only if the threat to do bodily harm is first communicated to you during the policy period.
- b. Territory – Loss is covered only if the capture, or alleged capture, takes place within the United States of America, U.S. Virgin Islands, Puerto Rico, Canal Zone or Canada.
Paragraph b. of the Policy Period General Condition and the Territory General Condition does not apply.
- c. Valuation of Securities and Property Other Than Money and Securities – The Valuation-Settlement General Condition is amended as follows:
 - (1) The first sentence of Paragraph b. is deleted and the following is substituted:
 - b. Loss of "securities" for not more than their value on the day they were surrendered.
 - (2) The following is added:
 - c. Loss of "property other than money and securities" for not more than its actual cash value at the time it was surrendered.

3. Additional Definitions

- a. "Extortion" means the surrender of property away from the "premises" as a result of a threat communicated to you to do bodily harm to you or an "employee", or to a relative or invitee of either, who is, or allegedly is, being held captive.
- b. "Occurrence" means an:
 - (1) Act, or series of related acts, involving one or more persons; or
 - (2) Act, or series of related acts, or events not involving any person.
- c. "Premises" means the interior of that portion of any building you occupy in conducting your business.

C. Limit of Insurance

The most we will pay for loss in any one "occurrence" is \$25,000.

Forgery or Alteration Coverage

A. Coverage – We will pay for loss involving covered instruments resulting directly from forgery or alteration of, on, or in any covered instrument.

1. **Covered Instruments** – Checks, drafts, promissory notes or similar written promises, orders or directions to pay a sum certain in "money" that are:
 - a. Made or drawn by or drawn upon you;
 - b. Made or drawn by one acting as your agent;or that are purported to have been so made or drawn.
2. **Credit, Debit or Charge Card Forgery** – Covered instruments include written instruments required in conjunction with any credit, debit or charge card issued to you or any "employee" for business purposes.

B. Additional Exclusions, Conditions and Definitions – In addition to the Crime General Provisions contained herein, this coverage is subject to the following:

1. Additional Exclusion

We will not pay for loss arising from any credit, debit or charge card if you have not complied fully with the provisions, conditions or other terms under which the card was issued.

2. Additional Conditions

- a. **Facsimile Signatures** – We will treat mechanically or reproduced facsimile signatures the same as handwritten signatures.
- b. **General Amendment** – As respects this coverage, the words "covered property" in the Crime General Provisions mean covered instruments.
- c. **Proof of Loss** – You must include with your proof of loss any instrument involved in that loss or, if that is not possible, an affidavit setting forth the amount and cause of loss.
- d. **Territory** – We will cover loss you sustain anywhere in the world. The Territory General Condition does not apply to this coverage.

3. Additional Definition

"Occurrence" means all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.

C. Limit of Insurance

The most we will pay for loss in any one "occurrence" for covered instruments described in Paragraph A.1. is \$25,000. The most we will pay for credit, debit or charge card forgery in Paragraph A.2. is \$5,000 in any one "occurrence" of loss.

Crime General Provisions

Unless stated otherwise in any individual coverage contained in this endorsement, the following General Exclusions, General Conditions and General Definitions apply to Crime coverages included in this endorsement. **Exception: General Exclusion 2. does not apply to Employee Dishonesty Coverage.**

A. General Exclusions

We will not pay for loss as specified below:

1. **Acts Committed by You or Your Partners** – Loss resulting from any dishonest or criminal act committed by you or any of your partners, whether acting alone or in collusion with other persons.
2. **Acts of Employees, Directors, Trustees or Representatives** – Loss resulting from any dishonest or criminal act committed by any of your "employees", directors, trustees or authorized representatives:
 - a. Acting alone or in collusion with other persons; or
 - b. While performing services for you or otherwise.
3. **Governmental Action** – Loss resulting from seizure or destruction of property by order of governmental authority.
4. **Indirect Loss** – Loss that is an indirect result of any act or "occurrence" covered by this insurance including, but not limited to, loss resulting from:
 - a. Your inability to realize income that you would have realized had there been no loss of, or loss from damage to, covered property;
 - b. Payment of damages of any type for which you are legally liable (but we will pay compensatory damages arising directly from a loss covered under this insurance); or

c. Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

5. **Legal Expenses** – Expenses related to any legal action.

6. **Nuclear** – Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.

7. **War and Similar Actions** – Loss resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.

B. General Conditions

1. **Concealment, Misrepresentation or Fraud** – This insurance is void in any case of fraud by you as it relates to this insurance at any time. It is also void if you or any other Insured, at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This insurance;
- b. The covered property;
- c. Your interest in the covered property; or
- d. A claim under this insurance.

2. **Discovery Period for Loss** – We will pay only for covered loss discovered no later than one year from the end of the policy period.

3. **Duties in the Event of Loss** – After you discover a loss or a situation that may result in loss of, or loss from damage to, covered property, you must:

- a. Notify us as soon as possible;
- b. Submit to examination under oath at our request and give us a signed statement of your answers;
- c. Give us a detailed, sworn proof of loss within 120 days; and
- d. Cooperate with us in the investigation and settlement of any claim.

4. Joint Insured

- a. If more than one insured is named in the Declarations, the first Named Insured will act for itself and for every other insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
- b. If any insured, or partner or officer of that insured, has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every insured.
- c. An "employee" of any insured is considered to be an "employee" of every insured.
- d. If this insurance, or any of its coverages, is cancelled or terminated as to any insured, loss sustained by that insured is covered only if discovered no later than one year from the date of that cancellation or termination.
- e. We will not pay more for loss sustained by more than one insured than the amount we would pay if all the loss had been sustained by one insured.

5. **Legal Action Against Us** – You may not bring any legal action against us involving loss:

- a. Unless you have complied with all the terms of this insurance; and
- b. Until 90 days after you have filed proof of loss with us; and
- c. Unless brought within two years from the date you discover the loss.

6. **Loss Covered Under More Than One Coverage of This Insurance** – If two or more coverages of this insurance apply to the same loss, we will pay the lesser of:

- a. The actual amount of loss; or
- b. The sum of the limits of insurance applicable to those coverages.

7. **Other Insurance** – This insurance does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this insurance will apply to that part of the loss, other than that falling within any deductible amount, not recoverable or recovered under the other insurance or indemnity. However, this insurance will not apply to the amount of loss that is more than the applicable Limit of Insurance shown in this endorsement.

8. **Ownership of Property/Interests Covered** – The property covered under this insurance is limited to property:

- a. That you own or hold; or
- b. For which you are legally liable.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.

9. Policy Period

- a. The policy period is shown in the Declarations.
- b. We will pay only for loss that you sustain through acts committed or events occurring during the policy period.

10. Records – You must keep records of all covered property so we can verify the amount of any loss.

11. Recoveries

- a. Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
 - (1) To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance;
 - (2) Then to us, until we are reimbursed for the settlement made.
- b. Recoveries do not include any recovery:
 - (1) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
 - (2) Of original "securities" after duplicates of them have been issued.

12. Territory – This insurance covers only acts committed or events occurring within the United States of America, U.S. Virgin Islands, Puerto Rico, Canal Zone or Canada.

13. Transfer of Your Rights of Recovery Against Others to Us – You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

14. Valuation – Settlement

Subject to the applicable Limit of Insurance provision, we will pay for:

- a. Loss of "money", but only up to and including its face value.
- b. Loss of "securities", but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:
 - (1) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or
 - (2) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
 - (a) Value of the "securities" at the close of business on the day the loss was discovered;
 - or
 - (b) Limit of Insurance.

C. General Definitions

1. "Employee" means:

- a. Any natural person:
 - (1) While in your service, and for 30 days after termination of service; and
 - (2) Whom you compensate directly by salary, wages or commissions; and
 - (3) Whom you have the right to direct and control while performing services for you; or
- b. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding, however, any such person while having care and custody of property outside the "premises".
But "employee" does not mean any:
 - (1) Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - (2) Director or trustee, except while performing acts coming within the scope of the usual duties of an "employee".

2. "Money" means:
 - a. Currency, coins and bank notes in current use and having a face value; and
 - b. Travelers checks, register checks and money orders held for sale to the public.
3. "Property other than money and securities" means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property not covered under any individual crime coverages.
4. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or other property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;
 but does not include "money".

GENERAL LIABILITY SECTION

The Commercial General Liability Coverage Form is modified as follows:

Additional Insured by Contract, Agreement or Permit

A. The following is added to Section II – Who is An Insured:

Any person or organization with whom you agreed, because of a written contract or written agreement, is an insured but only with respect to liability arising out of your ongoing operations performed for that insured, or facilities owned or used by you.

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

1. The rendering of or failure to render professional services;
2. Liability arising out of the sole negligence of the additional insured or by those acting on behalf of the additional insured; or
3. "Bodily injury" or "property damage" occurring after:
 - a. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the site of the covered operations has been completed; or
 - b. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

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

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

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

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

Additional Insured – Vendors

A. The following is added to Section II – Who is An Insured:

Vendors with whom you agreed, because of a written contract or written agreement, who sell or distribute "your products" in the regular course of their business, are insureds but only with respect to "bodily injury" or "property damage" arising out of "your product".

The insurance afforded the vendor does not apply to:

1. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement; this exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
2. Any express warranties unauthorized by you, or any physical or chemical change in the product made intentionally by the vendor;
3. Repackaging, except when unpacked solely for inspection, demonstration, testing or substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
4. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make, or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
5. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
6. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
7. "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - a. The exceptions contained in Subparagraphs 3. or 5.; or
 - b. Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of products.

This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, accompanying or containing such products.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

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

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

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

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

Aggregate Limit Amendment

Under Section III – Limits Of Insurance, Item 2., the General Aggregate Limit applies:

- A. To each described location insured (Location means the premises described in the Declarations involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad); and
- B. To each of your projects away from premises owned by or rented to you.

Broad Form Property Damage

Under Section I – Coverage A, Exclusion 2.j. is modified as follows:

- A. Paragraph (3) does not apply.
- B. Paragraphs (4) and (6) do not apply to customers' property.

We do not cover any property:

- A. Subject to motor vehicle registration; or
- B. While being used to perform construction operations.

Our limit for any one "occurrence" under this coverage provision is \$5,000.

Insurance under this coverage provision is excess over any other insurance available to the insured whether primary, excess, contingent or on any other basis.

This coverage provision does not modify the provisions of endorsement 2-843 or any other endorsement added to this policy that also modifies Exclusion 2.j. of Section I – Coverage A.

Damage to Premises

The last paragraph following the exclusions applying to Section I – Coverage A is amended to read as follows:

Exclusions c. through n. do not apply to damage by fire, lightning, smoke, soot or leakage from a fire protection system while the premises are rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

Fire Damage Additional Limit

In addition to the Fire Damage Limit stated in the Declarations, we will pay an additional amount of \$50,000 for damages because of "property damage" to premises rented to you arising out of any one fire.

Subject to Paragraph 5. of Section III – Limits Of Insurance, the Fire Damage Limit stated in the Declarations plus this additional limit is the most we will pay under Section I – Coverage A for damages because of "property damage" to premises rented to you arising out of any one fire.

Incidental Medical Services – Specified Persons

Section II – Who Is An Insured is modified as follows:

- A. Paragraph 2.a.(1)(d) does not apply to "bodily injury" arising out of medical services rendered by a nurse, medical technician or paramedic employed by you.
- B. This coverage provision does not apply if you or any of the above are engaged in the business, profession or occupation of providing professional health care services.

Knowledge of Occurrence

Under Section IV – Commercial General Liability Conditions, the following is added to Item 2. Duties In The Event of Occurrence, Offense, Claim or Suit:

Knowledge of an "occurrence", offense, claim or "suit" will be considered knowledge of the insured when reported directly to you, your officers, partners or any other person authorized by you to give us such notice.

Limited Fungi or Bacteria Coverage

The following is added under Section I – Coverages:

- A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

- a. "Personal and advertising injury" arising out of a "fungi or bacteria incident".
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

- B. Coverage provided by this insurance for "bodily injury" or "property damage", arising out of a "fungi or bacteria incident", is subject to the Fungi and Bacteria Liability Aggregate Limit as described in Paragraph C. below. This provision B. does not apply to any "fungi" or bacteria that are, are on, or are contained in a good or product intended for bodily consumption.

- C. The following are added to Section III – Limits Of Insurance:

- 1. Subject to Paragraphs 2. and 3. of Section III – Limits Of Insurance, as applicable, the Fungi and Bacteria Liability Aggregate Limit of \$50,000 is the most we will pay under Coverage A for all "bodily injury" or "property damage" and Coverage C for Medical Payments arising out of one or more "fungi or bacteria incidents". This provision C.1. does not apply to any "fungi" or bacteria that are, are on, or are contained in a good or product intended for bodily consumption.
- 2. Paragraph 5., the Each Occurrence Limit, Paragraph 6., the Damage To Premises Rented To You Limit, and Paragraph 7., the Medical Expense Limit, of Section III – Limits Of Insurance continue to apply to "bodily injury" or "property damage" arising out of a "fungi or bacteria incident" but only if, and to the extent that, limits are available under the Fungi and Bacteria Liability Aggregate Limit.

D. The following definitions are added to the Definitions Section:

1. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.
2. "Fungi or bacteria incident" means an incident which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

Medical Payments – Additional Limit

Under Coverage C – Medical Payments, we will pay up to an additional \$5,000 for covered medical expenses.

In addition, Paragraph 1.a.(3)(b) is replaced by the following:

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

Non-Owned Watercraft

Under Section I – Coverage A, Exclusion g.(2)(a) is amended to read:

(a) Less than 51 feet long; and

Primary and Noncontributory – Other Insurance Condition

This insurance provided to the additional insured is primary and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

- A. The additional insured is a Named Insured under such other insurance; and
- B. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

Product Recall Expense

Under Section I – Coverage A, Exclusion 2.n. does not apply to the following coverage provision:

We will pay up to \$25,000 for any cost or expense incurred by you for the withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of "your product" if such product is withdrawn or recalled from the market by you or any government body because of a known or suspected defect, deficiency, inadequacy or dangerous condition in "your product" that has resulted in or will result in "bodily injury" or "property damage".

This coverage does not apply to:

1. A condition in "your product" known to exist by the Named Insured or the Named Insured's "executive officers", prior to the sale or distribution of that product;
2. Failure of the product to accomplish its intended purpose;
3. A breach of warranty of fitness, quality, durability or performance;
4. Loss of customer approval, or any cost incurred to regain customer approval;
5. Redistribution or replacement of "your product" which has been recalled by like products or substitutes;
6. Recall of "your product" that has no known or suspected defect, solely because a known or suspected defect has been found in other goods or products that are also "your product";
7. Product withdrawal initiated due to expiration of the designated shelf life of "your product";
8. Product withdrawal initiated due to copyright, patent, trade secret or trademark infringements; or
9. Recall of "your products" which have been banned from the market by an authorized government entity prior to the policy period.

Supplementary Payments – Coverages A and B

- A. Our limit for bail bonds in Item 1.b. is increased from \$250 to \$1,000.
- B. Our limit for loss of earnings in Item 1.d. is increased from \$250 to \$300.

HASTINGS MUTUAL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO PROTECTION PLUS

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 this endorsement.

BROAD FORM INSURED

Subsidiaries and Newly Acquired or Formed Organizations

The Named Insured shown in the Declarations is amended to include:

- A. Any legally incorporated subsidiary in which you own more than 50% of the voting stock on the effective date of the Coverage Form. However, the Named Insured does not include any subsidiary that is an "insured" under any other automobile policy or would be an "insured" under such a policy but for its termination or the exhaustion of its Limit of Insurance.
- B. Any organization that is acquired or formed by you and over which you maintain majority ownership. However, the Named Insured does not include any newly formed or acquired organization:
 1. That is a partnership, joint venture or limited liability company;
 2. That is an "insured" under any other policy;
 3. That has exhausted its Limit of Insurance under any other policy; or
 4. 180 days or more after its acquisition or formation by you, unless you have given us notice of the acquisition or formation.

Coverage does not apply to "bodily injury" or "property damage" that results from an "accident" that occurred before you formed or acquired the organization.

SECTION II – LIABILITY COVERAGE

Exclusions

Exclusion 5. Fellow Employee does not apply if the "bodily injury" results from the use of a covered "auto" you own or hire. Coverage is excess over any other collectible insurance.

SECTION III – PHYSICAL DAMAGE COVERAGE

Extra Expense – Broadened Coverage

Under Paragraph A. Coverage, the following is added:

We will pay up to \$1,000 for the expense of returning a stolen covered "auto" to you.

Transportation Expense

Paragraph 4.a. is amended to provide a limit of \$50 per day and a maximum limit of \$1,000.

Accidental Airbag Inflation

Paragraph B. Exclusions is amended by the addition of the following:

Exclusion 3.a. does not apply to the accidental inflation of an airbag.

Sound Receiving and Transmitting Equipment – Broadened Coverage

Paragraphs B.4.c. and d. Exclusions do not apply to equipment designed solely for receiving or transmitting sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical systems, in or upon the covered "auto".

Deductible – Amended Deductible Provision

Under Paragraph D. Deductible, the following is added:

1. If two or more policies or coverage forms written by us apply to the same accident the following applies:
 - a. If the Business Auto deductible is the smaller (or the smallest) deductible, it will be waived;

- b. If the Business Auto deductible is not the smaller (or the smallest) applicable deductible, it will be reduced by the amount of the smaller (or the smallest) deductible.

Glass Repair – Waiver of Deductible

Under Paragraph D. Deductible, the following is added:

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

Loan/Lease Gap Coverage

Section III – Physical Damage Coverage is amended by the addition of the following:

E. Loan/Lease Gap Coverage

We will pay in the event of a total "loss" to a covered "auto" of the private passenger or light truck type (10,000 lbs. or less gross vehicle weight) your legal obligation for any difference between the actual cash value of the covered "auto" at the time of the "loss" and the "outstanding balance" of the loan or lease agreement used solely to purchase the covered "auto".

If this coverage applies to a leased vehicle, the following also applies:

This coverage shall apply only to the original lease written on a covered "auto" not previously titled.

As used in this endorsement, "outstanding balance" means the amount you owe on the loan or lease agreement at the time of the "loss" less any amounts for:

1. Taxes;
2. Overdue payments;
3. Penalties;
4. Interest or finance charges;
5. Additional mileage charges;
6. Nonrefundable security deposits;
7. Excess wear and tear charges; or
8. Termination fees.

This coverage will be excess over any other sources of recovery.

SECTION IV – BUSINESS AUTO CONDITIONS

Duties in the Event of Accident, Claim, Suit or Loss

Paragraph A.2.a. is amended by the following:

- a. This duty applies only when the "accident" or "loss" is known to:
 - (1) You, if you are an individual;
 - (2) A partner, if you are a partnership;
 - (3) A member or manager, if you are a limited liability company; or
 - (4) An executive officer or insurance manager, if you are a corporation.

Waiver of Subrogation

Paragraph A.5. Transfer of Rights of Recovery Against Others to Us is amended by the following:

We waive any right of recovery we may have against any person or organization with whom you have a written contract that requires such a waiver because of payments we make for damages under this Coverage Form.

Autos Rented By Employees

Paragraph B.5.b. is amended by the addition of the following:

Any "auto" hired or rented by your "employee" on your behalf and at your direction will be considered an "auto" you hire.

Adding the following amends the Other Insurance Condition:

If an "employee's" personal insurance also applies on an excess basis to a covered "auto" hired or rented by your "employee" on your behalf and at your direction, this insurance will be primary to the "employee's" personal insurance.

Hired Auto Physical Damage Coverage

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

The most we will pay for "loss" to any hired "auto" is:

- A. The actual cash value of the damaged or stolen property at the time of the "loss"; or
- B. The cost of repairing or replacing the damaged or stolen property;

whichever is the smallest, minus a deductible. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage. No deductible applies to "loss" caused by fire or lightning. Hired Auto Physical Damage coverage is excess over any other collectible insurance. Subject to the above limit, deductible and excess provisions, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

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

This extension of coverage does not apply to any "auto" you hire from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households.

Rental Reimbursement Coverage

We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of a covered "loss" to a covered "auto" of private passenger or light truck type (10,000 lbs. or less gross vehicle weight). Payment applies in addition to the otherwise applicable amount of each coverage you have on the covered "auto". No deductibles apply to this coverage.

We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending with the lesser of the following number of days, regardless of the policy's expiration:

- A. The number of days reasonably required to repair or replace the covered "auto". If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and return it to you.
- B. 30 days.

Our payment is limited to the lesser of the following amounts:

- A. Necessary and actual expenses incurred; or
- B. \$50 per day with a maximum limit of \$1,500.

This coverage does not apply while there are spare or reserve "autos" available to you for your operations.

If "loss" results from the total theft of a covered "auto" of the private passenger or light truck type (10,000 lbs. or less gross vehicle weight), we will pay under this coverage only the amount of your rental reimbursement expenses which is not already provided for under Physical Damage – Transportation Expense.