



CITY OF WOODINVILLE  
HUMAN SERVICES AGREEMENT

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9810  
13-043

THIS AGREEMENT, entered into on the 12<sup>th</sup> day of March 2013, is between the City of Woodinville, a municipal corporation of the State of Washington (hereinafter referred to as the "City") and King County Sexual Assault Resource Center (hereinafter referred to as the "Agency") for the Comprehensive Sexual Assault Services program.

NOW, THEREFORE, for and in consideration of the promises, covenants, and agreements hereinafter provided, to be made and performed by the parties hereto, the parties mutually covenant and agree as provided for as follows.

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PART I - GENERAL CONDITIONS

1. SCOPE OF AGREEMENT

The Agreement between the parties shall consist of the Agreement for Services and signature cover page; the recitals page; the General Conditions; the Federal, State and City program requirements; the Evaluation and Record Keeping requirements; each and every project Exhibit attached to this Agreement; all matters and laws incorporated by reference herein; and any written amendments made according to the general conditions. This Agreement supersedes any and all former agreements applicable to projects attached as Exhibits to this Agreement.

2. SCOPE OF PROJECT

The Agency shall use the funds provided herein only to perform the activities set forth in Attachment A attached hereto. This Agreement may be amended from time to time, in accordance with the general conditions, for the purpose of adding new projects, amending the scope of work, or for any other lawful purpose.

3. INDEPENDENT CONTRACTOR

Agency and City agree that Agency is an independent contractor with respect to the services provided pursuant to this Agreement. Nothing in this Agreement shall be considered to create the relationship of employer and employee between the parties hereto. Neither Agency, nor any employee of Agency, shall be entitled to any benefits accorded City employees by virtue of the services provided under this Agreement. The City shall not be responsible for withholding or otherwise deducting federal income tax or Social Security or contributing to the State Industrial Insurance Program, or otherwise assuming the duties of an employer with respect to the Agency, or any employee of the Agency.

#### 4. COMMENCEMENT AND TERMINATION OF PROJECT(S)

The City will issue a written notice to proceed. No work on a project shall occur prior to receipt of a written notice to proceed unless otherwise approved in writing by the City. Termination dates for individual projects shall be specified in the appropriate exhibits. Costs incurred prior to written notice to proceed or after the termination date will not be reimbursed. The termination date may be changed through amendment of this Agreement pursuant to Section 9.

#### 5. ADMINISTRATION

The Agency shall appoint a liaison person who shall be responsible for overall administration of the funded project(s) and coordination with the City's Executive Department. The Agency shall also designate one or more representatives who shall be authorized to sign the Reimbursement Requests and Program Accomplishments Forms. The names of the liaison persons and representatives shall be specified in the Exhibit(s).

#### 6. COMPENSATION AND METHOD OF PAYMENT

The Agency shall submit a properly executed Reimbursement Request and Program Accomplishments Form as frequently as desired, but at a minimum no later than fifteen (15) working days after the close of each calendar quarter throughout the term of the project. The City will make payment to the Agency not more than sixty (60) days after said Reimbursement Request is received and approved by the City's Parks and Recreation Department. The City will issue a statement of correction in the event that the Reimbursement Request is erroneous. Payment by the City shall not constitute approval of the services for which payment is requested. The City does not, by making such payment, waive any rights it may have pursuant to this Agreement to require satisfactory

performance of the services provided herein. The City reserves the right to demand and receive reimbursements made for ineligible costs.

#### 7. OPERATING BUDGET

The Agency shall apply the funds received from the City under this Agreement in accordance with the Budget Summary found on page 2 of the Exhibit(s). No line-item expense thereunder shall cause an excess expenditure of 10% or more of the budget line-item amount over the life of the Agreement without the prior written consent of the City. Any request for a line-item expense which exceeds 10% of the budgeted amount shall specifically state the reasons for the requested increase and a justification for the corresponding decrease in other line-item(s).

#### 8. FUNDING ALTERNATIVES AND FUTURE SUPPORT

A. The City makes no commitment to future support and assumes no obligation for future support of the activities contracted for herein, except as expressly set forth in this Agreement.

B. Payment for the services provided herein is based on the expectation that future revenues will be available to the City for such purpose. Should anticipated sources of revenue not become available or become unavailable to the City for use in the Human Services Program, the City shall immediately notify the Agency in writing of such unavailability and the City shall be released from all contracted liability for that portion of the Agreement originally intended to be paid with such unavailable funds.

#### 9. AMENDMENTS

Either party may request modifications in the scope of permissible activities, terms, or conditions of this Agreement. Proposed modifications, which are mutually agreed upon shall be incorporated by written amendment to this Agreement. A written amendment may affect a project or projects authorized by this Agreement or may be of general application. The City Manager or his designee is authorized to make amendments to the scope of work and to extend the time period for completion of the services provided herein without further approval of the City Council, provided that such amendments do not increase the overall compensation due under the contract.

#### 10. ASSIGNMENT AND SUBCONTRACTING

A. The Agency shall not assign any portion of this Agreement without the written consent of the City, and it is further agreed that said consent must be sought by the Agency not less than fifteen (15) days prior to the date of any proposed assignment.

B. Any work or services assigned or subcontracted hereunder shall be subject to each provision of this Agreement and to proper bidding procedures to the extent provided therein. The Agency agrees that it is as fully responsible to the City for the acts and omissions of its subcontractors and their employees and agents, as it is for the acts and omissions of its own employees and agents, as defined in paragraph 11.B.

#### 11. HOLD HARMLESS AND INDEMNIFICATION

A. The Agency agrees that it is financially responsible (liable) for any audit exception or other financial loss to the City which occurs due to the Agency's negligence or failure to comply with the terms of this Agreement.

B. The Agency further agrees to indemnify, protect, defend, and save the City, its elected and appointed officials, agents, and employees while acting within the scope of their duties as such, harmless from and against all claims, demands, and causes of action of any kind or character, including the cost of defense thereof, arising in favor of any person(s), including the Agency's employees, on account of personal injuries, death or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of the Agency and/or its agents, employees, volunteers, subcontractors or representatives under this Agreement. With respect to the performance of this Agreement, and as to claims against the City, its officers, agents, and employees, the Agency expressly waives its immunity under Title 51 of the Revised Code of Washington for injuries to its employees and agrees that the obligation to indemnify, defend, and hold harmless provided for in this paragraph extends to any claim brought by or on behalf of any employee of the Agency. The parties mutually negotiated this waiver.

#### 12. INSURANCE

The Service Provider shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Service Provider, their agents, representatives, employees, or subcontractors.

A. Minimum Scope of Insurance - Service Provider shall obtain insurance of the types described below:

(1) *Professional Liability* insurance appropriate to the Service Provider's profession.

B. Minimum Amounts of Insurance - Service Provider shall maintain the following insurance limits:

(1) *Professional Liability* insurance shall be written with limits no less than \$500,000 per claim and \$2,000,000 policy aggregate limit.

C. Other Insurance Provisions - The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability and Commercial General Liability insurance:

(1) The Service Provider's insurance coverage shall be primary insurance as respect to the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Service Provider's insurance and shall not contribute with it.

(2) The Service Provider's insurance shall provide the City with written notice of any policy cancellation, within two business days of their receipt of such notice.

D. Acceptability of Insurers - Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

E. Verification of Coverage - Service Provider shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Service Provider before commencement of the work.

### 13. CONFLICT OF INTEREST

A. Interest of Officers, Employees, or Agents - No officer, employee, or agent of the Agency or any official, employee or agent of the City who exercises any functions or responsibilities in connection with the planning and carrying out of the City's Human Service Program, shall have any personal financial interest, direct or indirect, in the Agreement. The Agency and the City shall take appropriate steps to assure compliance with this provision.

B. Interest of Subcontractor and Their Employees - The Agency agrees that it will incorporate into every Contract and subcontract required to be in writing and made pursuant to this Agreement the following provisions:

The Contractor covenants that no person who presently exercises any functions or responsibilities in connection with the City Human Services Program has any personal financial interest, direct or indirect, in this Agreement. The Contractor further covenants that he/she presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of his/her services hereunder. The Contractor further covenants that in the performance of this Contract no person having any conflicting interest shall be employed. Any such interest on the part of the Contractor or his/her employees must be disclosed to the Agency and the City.

14. SUSPENSION AND TERMINATION OF CONTRACT

A. Suspension for Failure to Perform

Upon notice to the Agency of a failure to comply with any terms or conditions of this Agreement or to provide in any manner the activities or other performance as agreed to herein, and the Agency's failure to cure within 60 days of notice, the City reserves the right to withhold all or any part of payment, suspend all or part of the Agreement, or prohibit the Agency from incurring additional obligations of funds until the City is satisfied that corrective action has been taken or completed as more specifically outlined in the Exhibit(s) to this Agreement. The option to withhold funds is, in addition to, and not in lieu of, the City's right to termination as provided in Paragraph B of this section.

B. Termination by the City

This Agreement is subject to termination for any reason upon 30 days written notice by the City to the Agency should, inter alia:

- (1) The Agency mismanage or make improper or unlawful use of City funds; or
- (2) The Agency fails to comply with the terms and conditions contained herein or applicable federal, state or City Laws, ordinances and resolutions; or
- (3) Funds for the performance of the Agreement become no longer available; or
- (4) The Agency fails to carry out activities or performance required by this Agreement; or
- (5) The Agency fails to submit reports or submit incomplete or inaccurate reports in any material respect.

C. Termination by Agency

This Agreement is subject to termination upon 30 days written notice by the Agency to the City should:

(1) The City fail in its commitment under this Agreement to provide reimbursement for services rendered, as herein provided; or

(2) City funds become no longer available.

D. Unless otherwise terminated pursuant to Paragraph B or C of this section, this Agreement shall terminate on the termination date specified on the Exhibit(s) attached hereto and shall be subject to extension only by mutual agreement and amendment in accordance with Section 9 of this Agreement.

E. Upon termination of this Agreement, any unexpended balance of Agreement funds shall remain in the City's fund.

F. In the event that termination occurs under Paragraph A of this Section, the Agency shall return to the City all funds which were expended in contradiction of the terms and conditions of this Agreement.

## PART II - FEDERAL AND LOCAL PROGRAM REQUIREMENTS

### 1. LOCAL AND STATE LAW

The Agency shall comply with all applicable requirements of local and state law.

### 2. NONDISCRIMINATION

#### A. General

The Agency shall comply with all federal, state and local laws prohibiting discrimination on the basis of age, sex, marital status, race, creed, religion, color, national origin or the presence of any sensory, mental or physical handicap.

#### B. Specific Discriminatory Actions Prohibited

(1) The Agency may not, under any program or activity to which this Agreement may apply, directly or through contractual or other arrangements, on the grounds of age, sex, marital status, race, creed, religion, color, national origin, or the presence of any sensory, mental or physical handicap;

i. Deny any person facilities, services, financial aid or other benefits provided under the program or activity.

ii. Provide any person with facilities, services, financial aid or other benefits which are different, or are provided in a different form from that provided to others under the program or activity.

iii. Subject any person to segregated or separate treatment in any facility or in any matter or process related to receipt of any service or benefit under the program or activity.

iv. Restrict in any way access to, or the enjoyment of any advantage or privilege enjoyed by others in connection with facilities, services, financial aid or other benefits under the program or activity.

v. Treat any person differently from others in determining whether the person satisfies any admission, enrollment, eligibility, membership, or other requirement or condition which individuals must meet in order to be provided any facilities, services or other benefit provided under the program or activity.

vi. Deny any person any opportunity to participate in a program or activity as an employee.

(2) The Agency shall not utilize criteria or methods of administration which have the effect of subjecting individuals to unlawful discrimination on the basis of race, color, creed, religion, national origin or sex, age, marital status, the presence of any sensory, mental or physical handicap or which have the effect of defeating or substantially impairing accomplishment of the objectives of the program or activity by unlawfully discriminating against individuals of a particular race, color, creed, religion, national origin, or sex, age, marital status or the presence of any sensory, mental or physical handicap.

(3) The Agency, in determining the site or location of housing or facilities provided in whole or in part with funds under this part, may not make selections of such site or location which have the effect of excluding individuals from, denying them the benefits of, or subjecting them to unlawful discrimination on the grounds of race, creed, religion, color, national origin, or sex, age, marital status or the presence of any sensory, mental or physical handicap; or which have the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of the City's Human Services Program.

### 3. PUBLIC INFORMATION

A. In all news releases and other public notices related to projects funded under this Agreement, the Agency shall include information identifying the source of funds as the City of Woodinville Human Services Program.

B. The Agency acknowledges that this Agreement and any other information provided by it to the City and/or relevant to the Project(s) described in the Exhibit(s) are subject to the Washington State Public Disclosure Act, Chapter 42.17 RCW.

4. LOCAL REQUIREMENTS

Woodinville Benefit

The activities performed under this Agreement are for the purposes of serving Woodinville residents and the Agency shall, to the extent reasonably possible, not use said funds to provide service outside the corporate boundary of the City, or for any purpose, except as may be specifically authorized by this Agreement.

PART III - EVALUATION AND RECORD KEEPING

1. EVALUATION

The Agency agrees to participate with the City in any evaluation project or performance report, as designed by the City and to make available all information required by any such evaluation process.

2. AUDITS AND INSPECTIONS

The records and documents with respect to all matters covered by this Agreement shall be subject at all times to inspection, review or audit by the City or State officials (State Auditor) as authorized by law during the performance of this Agreement and during the period of retention specified in this Part III.

The Agency shall submit to the City a copy of the most recent independent financial audit and a current list of the Agency's board of directors.

3. RETENTION OF RECORDS

Required records shall be retained for a period of three (3) years after termination of the Agreement, except as follows: records that are the subject of audit findings shall be retained for three (3) years after such findings have been resolved.

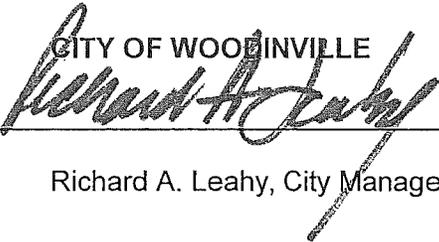
4. REPORTS

The Agency shall submit such reports as required by the City at such times as may be required by the City. Notwithstanding any other provision of this Agreement to the contrary, the reports required by the City shall be submitted by the Agency no less than on an annual basis. Such reports shall also be submitted prior to project completion.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year written above.

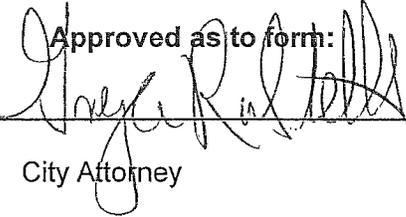
**CONTRACTING AGENCY**

By:   
Name: Mary Ellen Stone  
Title: Executive Director

**CITY OF WOODINVILLE**  
By:   
Richard A. Leahy, City Manager

**ATTEST/AUTHENTICATED:**

By:   
City Clerk

Approved as to form:  
By:   
City Attorney

**CITY CONTACT:**

Zach Schmitz  
City of Woodinville  
17301 133<sup>rd</sup> Avenue NE  
Woodinville, WA 98072  
Phone: 425.877.2267



Woodinville Human Services
CONTRACT EXHIBIT A

I. SERVICE PROGRAM

Program Title: Sexual Assault Services

2. Funds Awarded: \$3,986 (2013)
\$3,986 (2014)

3. Agency Information:

Name: King County Sexual Assault Resource Center (KCSARC)
Address: PO Box 300 (mailing address)
City, State, Zip: Renton, WA 98057
Website: www.kcsarc.org

4. Contact Person:

Name: Carrie Jackson
Phone: 425.226.5062
E-Mail: cjackson@kcsarc.org

5. Program Location (if different from agency address) 200 Mill Ave S., Ste 10, Renton, WA 98057 (physical address)

6. Program Summary: Funding will support: 1) CORE SERVICES (provided in English & Spanish) for child, youth, and adult victims of sexual violence and their families. Services help victims navigate the criminal justice system (and hold offenders accountable), access needed services, and (for family members) gain skills to protect and support their children or other loved ones who have been victimized. 2) PREVENTION EFFORTS that develop skills in targeted communities to address and reduce causes of sexual violence.

Total clients to be served in program: 2,988 Total program budget: \$2,811,889

7. Program Measures

a. Unduplicated Woodinville residents to be served: 7 % Low/Moderate Income 80%

Table with 4 columns: Service Units, Unit Descriptions Residents, # Service Units for All Clients, # Service Units for Woodinville funded. Rows include Advocacy (22,825 units) and Prevention (1,243 units).

8. Service Unit Definition(s): Service Unit #1 Advocacy: Legal and General Advocacy Services provided in English & Spanish for child, youth & adult victims of sexual violence and their families. Services help victims navigate the criminal justice system (and hold offenders accountable), access needed services & (for family members) gain skills to protect and support their children or other loved ones who have been victimized. Services measured by hours. Service Unit #2: Training/Workshops/Classes: Prevention training/workshop/classes promote access and convenience through community forums (e.g., addressing safety when a sex offender returns to the community), parent workshops, web-based curricula and materials (especially addressing digital/cyber safety), interfaith symposiums, and more. Services measured by hours.

9. Date Insurance Certificate Submitted: 10/8/12 Special Condition(s):

10. Authorized start date: January 1, 2013 End date: December 31, 2014

11. Authorized Signatures

Chair, Board of Directors

Name Jeffrey Pyatt
Signature [Handwritten Signature]

Authorized Signatures for Billing Purposes

Name Mary Ellen Stone, Executive Director
Signature [Handwritten Signature]

Name Catherine Lanham, Finance Director
Signature [Handwritten Signature]



**Woodinville Human Services  
CONTRACT EXHIBIT A**

**II. WOODINVILLE BUDGET SUMMARY**

**12. Woodinville Funding Reimbursement Method (Complete either A. or B.)**

**A. LINE ITEM REIMBURSEMENT**

1) Personnel	<u>\$3,986</u>
2) Office/Operating	<u>                    </u>
3) Consultant/Purchased Service	<u>                    </u>
4) Construction Contract/Acquisition Expenses	<u>                    </u>
5) Communications	<u>                    </u>
6) Travel/Training	<u>                    </u>
7) Other	<u>                    </u>

**WOODINVILLE BUDGET DETAIL**

**1) Personnel Costs**

List Employee by Position Title	Annual Salary & Benefits	% of Time to Project	Item Total
Legal Advocate	53,225	7.5%	\$3,986

**Total Personnel Costs**     \$3,986

**2) Other Budget Categories** (for items 2 through 7, detail all expenses besides personnel costs)

Budget Category	Description	Item Total

**Total Other Category Costs**



Woodinville Human Services  
CONTRACT EXHIBIT A

TOTAL WOODINVILLE FUNDS: \_\_\_\_\_  
(totals of 1 & 2 above)

II. WOODINVILLE BUDGET SUMMARY

12. Woodinville Funding Reimbursement Method, Continued (Complete either A or B).

**B. SERVICE UNIT COST REIMBURSEMENT**

**Service Unit Costs** (Attach worksheet explaining in detail the formula for calculating service unit costs. List all line item expenditures figured into your unit cost. Items listed below should correspond with order of service units listed on the worksheet.)

Service Unit Name

1) _____	_____	X _____	= _____
	(# of service units)	(Cost per unit)	(Total cost of service)
2) _____	_____	X _____	= _____
	(# of service units)	(Cost per unit)	(Total cost of service)
3) _____	_____	X _____	= _____
	(# of service units)	(Cost per unit)	(Total cost of service)
4) _____	_____	X _____	= _____
	(# of service units)	(Cost per unit)	(Total cost of service)

TOTAL WOODINVILLE FUNDS: \_\_\_\_\_



Woodinville Human Services  
CONTRACT EXHIBIT A

**III. PROGRAM OUTCOMES**

**13. Program Outcomes**

Agency: King County Sexual Assault Resource Center (KCSARC)

Program/Title: Sexual Assault Services

List one to three measurable outcomes and indicators of program effectiveness to be tracked in 2013/2014:

**Outcome(s)**

**Measurable Indicator(s)**

1. Individuals and/or families will improve their understanding of domestic/sexual violence.

75% of the victims, family members and other concerned individuals will state that they were helped by KCSARC as they determine actions to take due to a sexual assault.

2. Individuals and/or families will improve their understanding of domestic/sexual violence.

75% of community participants will know how to enhance personal safety skills and bystander intervention skills.

3.



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

**GENERAL LIABILITY DELUXE ENDORSEMENT:  
HUMAN SERVICES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE**

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

Coverage Applicable	Limit of Insurance	Page #
Extended Property Damage	Included	2
Limited Rental Lease Agreement Contractual Liability	\$50,000 limit	2
Non-Owned Watercraft	Less than 58 feet	2
Damage to Property You Own, Rent, or Occupy	\$30,000 limit	2
Damage to Premises Rented to You	\$1,000,000	3
HIPAA	Clarification	4
Medical Payments	\$20,000	5
Medical Payments – Extended Reporting Period	3 years	5
Athletic Activities	Amended	5
Supplementary Payments – Bail Bonds	\$5,000	5
Supplementary Payment – Loss of Earnings	\$1,000 per day	5
Employee Indemnification Defense Coverage	\$25,000	5
Key and Lock Replacement – Janitorial Services Client Coverage	\$10,000 limit	6
Additional Insured – Newly Acquired Time Period	Amended	6
Additional Insured – Medical Directors and Administrators	Included	7
Additional Insured – Managers and Supervisors (with Fellow Employee Coverage)	Included	7
Additional Insured – Broadened Named Insured	Included	7
Additional Insured – Funding Source	Included	7
Additional Insured – Home Care Providers	Included	7
Additional Insured – Managers, Landlords, or Lessors of Premises	Included	7
Additional Insured – Lessor of Leased Equipment	Included	7
Additional Insured – Grantor of Permits	Included	8
Additional Insured – Vendor	Included	8
Additional Insured – Franchisor	Included	9
Additional Insured – When Required by Contract	Included	9
Additional Insured – Owners, Lessees, or Contractors	Included	9
Additional Insured – State or Political Subdivisions	Included	10

Duties in the Event of Occurrence, Claim or Suit	Included	10
Unintentional Failure to Disclose Hazards	Included	10
Transfer of Rights of Recovery Against Others To Us	Clarification	10
Liberalization	Included	11
Bodily Injury – includes Mental Anguish	Included	11
Personal and Advertising Injury – includes Abuse of Process, Discrimination	Included	11

**A. Extended Property Damage**

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

**a. Expected or Intended Injury**

"Bodily injury" or property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

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

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

- (3) Based on the named insured's request at the time of claim, we agree to indemnify the named insured for their liability assumed in a contract or agreement regarding the rental or lease of a premises on behalf of their client, up to \$50,000. This coverage extension only applies to rental lease agreements. This coverage is excess over any renter's liability insurance of the client.

**C. Non-Owned Watercraft**

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

- (2) A watercraft you do not own that is:
  - (a) Less than 58 feet long; and
  - (b) Not being used to carry persons or property for a charge;

This provision applies to any person, who with your consent, either uses or is responsible for the use of a watercraft. This insurance is excess over any other valid and collectible insurance available to the insured whether primary, excess or contingent.

**D. Damage to Property You Own, Rent or Occupy**

**SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE**

**LIABILITY, Subsection 2. Exclusions, Paragraph j. Damage to Property, Item (1)** is deleted in its entirety and replaced with the following:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property, unless the damage to property is caused by your client, up to a \$30,000 limit. A client is defined as a person under your direct care and supervision.

**E. Damage to Premises Rented to You**

1. If damage by fire to premises rented to you is not otherwise excluded from this Coverage Part, the word "fire" is changed to "fire, lightning, explosion, smoke, or leakage from automatic fire protective systems" where it appears in:

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

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems to premises while 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.**

- b. **SECTION III – LIMITS OF INSURANCE, Paragraph 6.** is deleted in its entirety and replaced by the following:

Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems while rented to you or temporarily occupied by you with permission of the owner.

- c. **SECTION V – DEFINITIONS, Paragraph 9.a.,** is deleted in its entirety and replaced by the following:

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

2. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Subsection 4. Other Insurance, Paragraph b. Excess Insurance, (1) (a) (ii)** is deleted in its entirety and replaced by the following:

That is insurance for fire, lightning, explosion, smoke, or leakage from automatic fire protective systems for premises rented to you or temporarily occupied by you with permission of the owner;

3. The Damage To Premises Rented To You Limit section of the Declarations is amended to the greater of:

- a. \$1,000,000; or
- b. The amount shown in the Declarations as the Damage to Premises Rented to You Limit.

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

**F. HIPAA**

**SECTION I – COVERAGES, COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY,** is amended as follows:

- 1. Paragraph 1. **Insuring Agreement** is amended to include the following:

We will pay those sums that the insured becomes legally obligated to pay as damages because of a "violation(s)" of the Health Insurance Portability and Accountability Act (HIPAA). We have the right and the duty to defend the insured against any "suit," "investigation," or "civil proceeding" seeking these damages. However, we will have no duty to defend the insured against any "suit" seeking damages, "investigation," or "civil proceeding" to which this insurance does not apply.

- 2. Paragraph 2. **Exclusions** is amended to include the following additional exclusions:

This insurance does not apply to:

- a. **Intentional, Willful, or Deliberate Violations**

Any willful, intentional, or deliberate "violation(s)" by any insured.

- b. **Criminal Acts**

Any "violation" which results in any criminal penalties under the HIPAA.

- c. **Other Remedies**

Any remedy other than monetary damages for penalties assessed.

- d. **Compliance Reviews or Audits**

Any compliance reviews by the Department of Health and Human Services.

- 3. **SECTION V – DEFINITIONS** is amended to include the following additional definitions:

- a. "Civil proceeding" means an action by the Department of Health and Human Services (HHS) arising out of "violations."

- b. "Investigation" means an examination of an actual or alleged "violation(s)" by HHS. However, "investigation" does not include a Compliance Review.

- c. "Violation" means the actual or alleged failure to comply with the regulations included in the HIPAA.

**G. Medical Payments – Limit Increased to \$20,000, Extended Reporting Period**

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

1. The Medical Expense Limit is changed subject to all of the terms of **SECTION III - LIMITS OF INSURANCE** to the greater of:
  - a. \$20,000; or
  - b. The Medical Expense Limit shown in the Declarations of this Coverage Part.
2. **SECTION I – COVERAGE, COVERAGE C MEDICAL PAYMENTS, Subsection 1. Insuring Agreement, a. (3) (b)** is deleted in its entirety and replaced by the following:
  - (b) The expenses are incurred and reported to us within three years of the date of the accident.

**H. Athletic Activities**

**SECTION I – COVERAGES, COVERAGE C MEDICAL PAYMENTS, Subsection 2. Exclusions, Paragraph e. Athletic Activities** is deleted in its entirety and replaced with the following:

**e. Athletic Activities**

To a person injured while taking part in athletics.

**I. Supplementary Payments**

**SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS - COVERAGE A AND B** are amended as follows:

1. **b.** is deleted in its entirety and replaced by the following:
  1. **b.** Up to \$5000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these.
- 1.**d.** is deleted in its entirety and replaced by the following:
  1. **d.** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$1,000 a day because of time off from work.

**J. Employee Indemnification Defense Coverage**

**SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** the following is added:

We will pay, on your behalf, defense costs incurred by an "employee" in a criminal proceeding occurring in the course of employment.

The most we will pay for any "employee" who is alleged to be directly involved in a criminal proceeding is \$25,000 regardless of the numbers of "employees," claims or "suits" brought or persons or organizations making claims or bringing "suits.

**K. Key and Lock Replacement – Janitorial Services Client Coverage**

**SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** is amended to include the following:

We will pay for the cost to replace keys and locks at the "clients" premises due to theft or other loss to keys entrusted to you by your "client," up to a \$10,000 limit per occurrence and \$10,000 policy aggregate.

We will not pay for loss or damage resulting from theft or any other dishonest or criminal act that you or any of your partners, members, officers, "employees", "managers", directors, trustees, authorized representatives or any one to whom you entrust the keys of a "client" for any purpose commit, whether acting alone or in collusion with other persons.

The following, when used on this coverage, are defined as follows:

- a. "Client" means an individual, company or organization with whom you have a written contract or work order for your services for a described premises and have billed for your services.
- b. "Employee" means:
  - (1) Any natural person:
    - (a) While in your service or for 30 days after termination of service;
    - (b) Who you compensate directly by salary, wages or commissions; and
    - (c) Who you have the right to direct and control while performing services for you; or
  - (2) Any natural person who is furnished temporarily to you:
    - (a) To substitute for a permanent "employee" as defined in Paragraph (1) above, who is on leave; or
    - (b) To meet seasonal or short-term workload conditions;while that person is subject to your direction and control and performing services for you.
  - (3) "Employee" does not mean:
    - (a) Any agent, broker, person leased to you by a labor leasing firm, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
    - (b) Any "manager," director or trustee except while performing acts coming within the scope of the usual duties of an "employee."
- c. "Manager" means a person serving in a directorial capacity for a limited liability company.

**L. Additional Insureds**

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

- 1. If coverage for newly acquired or formed organizations is not otherwise excluded from this

Coverage Part, Paragraph 3.a. is deleted in its entirety and replaced by the following:

a. Coverage under this provision is afforded until the end of the policy period.

2. Each of the following is also an insured:

a. **Medical Directors and Administrators** – Your medical directors and administrators, but only while acting within the scope of and during the course of their duties as such. Such duties do not include the furnishing or failure to furnish professional services of any physician or psychiatrist in the treatment of a patient.

b. **Managers and Supervisors** – Your managers and supervisors are also insureds, but only with respect to their duties as your managers and supervisors. Managers and supervisors who are your "employees" are also insureds for "bodily injury" to a co-"employee" while in the course of his or her employment by you or performing duties related to the conduct of your business.

This provision does not change Item 2.a.(1)(a) as it applies to managers of a limited liability company.

c. **Broadened Named Insured** – Any organization and subsidiary thereof which you control and actively manage on the effective date of this Coverage Part. However, coverage does not apply to any organization or subsidiary not named in the Declarations as Named Insured, if they are also insured under another similar policy, but for its termination or the exhaustion of its limits of insurance.

d. **Funding Source** – Any person or organization with respect to their liability arising out of:

(1) Their financial control of you; or

(2) Premises they own, maintain or control while you lease or occupy these premises.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

e. **Home Care Providers** – At the first Named Insured's option, any person or organization under your direct supervision and control while providing for you private home respite or foster home care for the developmentally disabled.

f. **Managers, Landlords, or Lessors of Premises** – Any person or organization with respect to their liability arising out of the ownership, maintenance or use of that part of the premises leased or rented to you subject to the following additional exclusions:

This insurance does not apply to:

(1) Any "occurrence" which takes place after you cease to be a tenant in that premises; or

(2) Structural alterations, new construction or demolition operations performed by or on behalf of that person or organization.

g. **Lessor of Leased Equipment – Automatic Status When Required in Lease Agreement With You** – Any person or organization from whom you lease equipment when you and such person or organization have agreed in writing in a contract or agreement that such person or organization is to be added as an additional insured on your policy. Such person or

organization is an insured only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

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

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

- h. **Grantors of Permits** – Any state or political subdivision granting you a permit in connection with your premises subject to the following additional provision:
  - (1) This insurance applies only with respect to the following hazards for which the state or political subdivision has issued a permit in connection with the premises you own, rent or control and to which this insurance applies:
    - (a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures;
    - (b) The construction, erection, or removal of elevators; or
    - (c) The ownership, maintenance, or use of any elevators covered by this insurance.
  
- i. **Vendors** – Only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:
  - (1) The insurance afforded the vendor does not apply to:
    - (a) "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;
    - (b) Any express warranty unauthorized by you;
    - (c) Any physical or chemical change in the product made intentionally by the vendor;
    - (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
    - (e) 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;
    - (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

- (g) 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
- (h) "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:
  - (i) The exceptions contained in Sub-paragraphs (d) or (f); or
  - (ii) 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.
- (2) This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing.
- j. **Franchisor** – Any person or organization with respect to their liability as the grantor of a franchise to you.
- k. **As Required by Contract** – Any person or organization where required by a written contract executed prior to the occurrence of a loss. Such person or organization is an additional insured for "bodily injury," "property damage" or "personal and advertising injury" but only for liability arising out of the negligence of the named insured. The limits of insurance applicable to these additional insureds are the lesser of the policy limits or those limits specified in a contract or agreement. These limits are included within and not in addition to the limits of insurance shown in the Declarations
- l. **Owners, Lessees or Contractors** – Any person or organization, but only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by:
  - (1) Your acts or omissions; or
  - (2) The acts or omissions of those acting on your behalf;in the performance of your ongoing operations for the additional insured when required by a contract.

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

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

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

m. **State or Political Subdivisions** – Any state or political subdivision as required, subject to the following provisions:

- (1) This insurance applies only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit, and is required by contract.
- (2) This insurance does not apply to:
  - (a) "Bodily injury," "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
  - (b) "Bodily injury" or "property damage" included within the "products-completed operations hazard."

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

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Paragraph 2.** is amended as follows:

a. is amended to include:

This condition applies only when the "occurrence" or offense is known to:

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

b. is amended to include:

This condition will not be considered breached unless the breach occurs after such claim or "suit" is known to:

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

**N. Unintentional Failure To Disclose Hazards**

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, 6. Representations** is amended to include the following:

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

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

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, 8. Transfer of Rights of**

**Recovery Against Others To Us** is deleted in its entirety and replaced by the following:

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

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

**P. Liberalization**

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, is amended to include the following:

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

**Q. Bodily Injury – Mental Anguish**

**SECTION V – DEFINITIONS**, Paragraph 3. Is deleted in its entirety and replaced by the following:

"Bodily injury" means:

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

**R. Personal and Advertising Injury – Abuse of Process, Discrimination**

If **COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY COVERAGE** is not otherwise excluded from this Coverage Part, the definition of "personal and advertising injury" is amended as follows:

1. **SECTION V – DEFINITIONS**, Paragraph 14.b. is deleted in its entirety and replaced by the following:

- b. Malicious prosecution or abuse of process;

2. **SECTION V – DEFINITIONS**, Paragraph 14. is amended by adding the following:

Discrimination based on race, color, religion, sex, age or national origin, except when:

- a. Done intentionally by or at the direction of, or with the knowledge or consent of:
  - (1) Any insured; or
  - (2) Any executive officer, director, stockholder, partner or member of the insured;
- b. Directly or indirectly related to the employment, former or prospective employment, termination of employment, or application for employment of any person or persons by an insured;

- c. Directly or indirectly related to the sale, rental, lease or sublease or prospective sales, rental, lease or sub-lease of any room, dwelling or premises by or at the direction of any insured; or
- d. Insurance for such discrimination is prohibited by or held in violation of law, public policy, legislation, court decision or administrative ruling.

The above does not apply to fines or penalties imposed because of discrimination.