

CLERK'S CONTRACT and AGREEMENT COVER PAGE

Legistar File ID#: 2018-0513

Innoprise Contract #: C18-0104

Year: 2018

Amount: \$59,500.00

Department: VMO - Ahmad Zayyad

Contract Type: Professional Consulting

Contractors Name: Matrix Consulting Group

Contract Description: Operations, Staffing & Service Delivery Analysis

MAYOR
Keith Pekau

VILLAGE CLERK
John C. Mehalek

14700 S. Ravinia Avenue
Orland Park, IL 60462
708.403.6100
OrlandPark.org



TRUSTEES
Kathleen M. Fenton
James V. Dodge
Patricia A. Gira
Carole Griffin Ruzich
Daniel T. Calandriello
Michael F. Carroll

August 23, 2018

Mr. Richard Brady
Matrix Consulting Group
201 San Antonio Circle, Ste 148
Mountain View, CA 94040

NOTICE TO PROCEED – Operations, Staffing & Service Delivery Analysis

Dear Mr. Brady:

This notification is to inform you that the Village of Orland Park has received all necessary contracts, certifications, and insurance documents in order for work to commence on the above stated project as of August 20, 2018.

Please contact Ahmad Zayyad at 708-403-6180 to arrange the commencement of the work.

The Village will be processing a Purchase Order for this contract and it will be emailed to your company. It is imperative that this number on the Purchase Order be noted on all invoices, correspondence, etc. All invoices should be sent directly to the Accounts Payable Department at 14700 S. Ravinia Ave. Orland Park, IL 60462 or emailed to accountspayable@orlandpark.org. Also, your final invoice for this contract should state that it is the final invoice pertaining to that Purchase Order.

For your records, I have enclosed one (1) original executed contract dated August 9, 2018 in an amount not to exceed Fifty Nine Thousand Five Hundred and No/100 (\$59,500.00) Dollars. If you have any questions, please call me at 708-403-6173.

Sincerely,

Denise Domolewski
Purchasing & Contract Administrator

Encl:

CC: Ahmad Zayyad

MAYOR
Keith Pekau

VILLAGE CLERK
John C. Mehalak

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August 9, 2018

Mr. Richard Brady
Matrix Consulting Group
201 San Antonio Circle, Suite 148
Mountain View, CA 94040

NOTICE OF AWARD – Operations, Staffing & Service Delivery Analysis

Dear Mr. Brady:

This notification is to inform you that on August 6, 2018, the Village of Orland Park Board of Trustees approved awarding Matrix Consulting Group the contract in accordance with the proposal you submitted dated August 3, 2018, for Operations, Staffing & Service Delivery Analysis for an amount not to exceed Fifty Nine Thousand Five Hundred and No/100 (\$59,500.00) Dollars.

In order to begin this engagement, you must comply with the following within ten business days of the date of this Notice of Award, which is by August 23, 2018.

- Attached is the Contract for Operations, Staffing & Service Delivery Analysis. Please sign and return directly to me. I will obtain signatures to fully execute the Contract and one fully executed Contract will be returned to you.
- Also enclosed are the Certificate of Compliance and Insurance Requirements. Please complete and return them directly to me.
- Please submit a Certificate of Insurance from your insurance company in accordance with all of the Insurance Requirements listed and agreed to in the bid at minimum and endorsements for a) the additional insured status, b) the waiver of subrogation for General Liability and c) the waiver of subrogation for Workers Compensation.
- In order to properly document your vendor relationship with the Village of Orland Park, your company must provide the Village with a completed W-9 Form.
- I've also included an Electronic Funds Transfer (EFT) Authorization Form. Enrollment is optional, and by authorizing EFTs, you will receive payments from the Village faster and more securely. Additionally, the Village will be able to send you a detailed email notification when payment has been remitted. If you'd like to enroll in EFT payments, complete, sign and return the EFT Authorization Form along with the other documents.

Deliver this information directly to me, Denise Domalewski, Contract Administrator, at Village Hall located at 14700 S. Ravinia Ave., Orland Park, IL 60462. The signed Contracts, Certifications, Insurance Certificate and Endorsements, and completed W-9 are required to be in place and received at my office prior to the commencement of work on this project. You will be issued a Notice to Proceed letter and a purchase order when you are in full compliance with this process.. If you have any questions, please do not hesitate to call me at 708-403-6173 or e-mail me at ddomalewski@orlandpark.org.

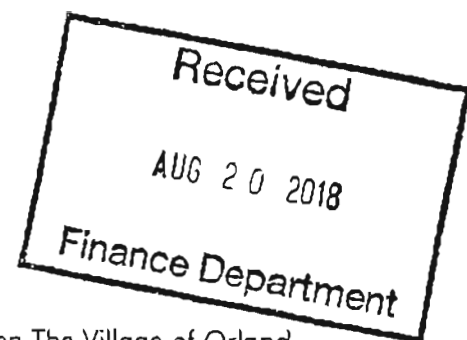
Sincerely,

A handwritten signature in black ink, appearing to read "Denise Domalewski", with a stylized flourish at the end.

Denise Domalewski
Purchasing & Contract Administrator

cc: Joe LaMargo

 ORLAND PARK
Operations, Staffing & Service Delivery Analysis
(Contract for Professional Consulting)



This Contract is made this 9th day of August, 2018 by and between The Village of Orland Park (hereinafter referred to as the "VILLAGE") and Matrix Consulting Group (hereinafter referred to as the "CONSULTANT").

WITNESSETH

In consideration of the promises and covenants made herein by the VILLAGE and the CONSULTANT (hereinafter referred to collectively as the "PARTIES,") the PARTIES agree as follows:

SECTION 1: THE CONTRACT DOCUMENTS: This Contract shall include the following documents (hereinafter referred to as the "CONTRACT DOCUMENTS") however this Contract takes precedence and controls over any contrary provision in any of the CONTRACT DOCUMENTS. The Contract, including the CONTRACT DOCUMENTS, expresses the entire agreement between the PARTIES and where it modifies, adds to or deletes provisions in other CONTRACT DOCUMENTS, the Contract's provisions shall prevail. Provisions in the CONTRACT DOCUMENTS unmodified by this Contract shall be in full force and effect in their unaltered condition.

This Contract
The Terms and Conditions
The Proposal dated August 6, 2018 as it is responsive to the VILLAGE's requirements
Certificate of Compliance
Certificates of Insurance

SECTION 2: SCOPE OF THE WORK AND PAYMENT: The CONSULTANT agrees to provide labor, equipment and materials necessary to provide the services as described in the CONTRACT DOCUMENTS and further described below:

Conduct an Operational Staffing and Service Delivery Assessment of the Village's organization's department and services. See proposal for complete scope of work as requested by the Village of Orland Park

(hereinafter referred to as the "WORK") and the VILLAGE agrees to pay the CONSULTANT pursuant to the provisions of the Local Government Prompt Payment Act (50 ILCS 505/1 et seq.) the following amount:

Task	Cost
Project Initiation, Data Collection & Profile	\$16,000
Best Practices Assessment	\$13,880
Evaluate Staffing, Workflow, Service Levels and ERI	\$13,370
Evaluate Organizational Structure	\$ 6,910
Draft and Final Report	\$ 9,340

TOTAL COST: an amount not to exceed Fifty Nine Thousand Five Hundred and No/100 (\$59,500.00) Dollars

SECTION 3: ASSIGNMENT: CONSULTANT shall not assign the duties and obligations involved in the performance of the WORK which is the subject matter of this Contract without the written consent of the VILLAGE.

SECTION 4: TERM OF THE CONTRACT: This Contract shall commence on the date of execution. The WORK shall commence upon receipt of a Notice to Proceed and continue expeditiously from that date until final completion on or before November 30, 2018. This Contract shall terminate upon completion of the WORK (delivery of the Final Report), but may be terminated by either of the PARTIES for default upon failure to cure after ten (10) days prior written notice of said default from the aggrieved PARTY. The VILLAGE, for its convenience, may terminate this Contract with thirty (30) days prior written notice.

SECTION 5: INDEMNIFICATION AND INSURANCE: The CONSULTANT shall indemnify and hold harmless the VILLAGE, its trustees, officers, directors, agents, employees and representatives and assigns, from lawsuits, actions, costs (including attorneys' fees), claims or liability of any character, incurred due to the alleged negligence of the CONSULTANT, brought because of any injuries or damages received or sustained by any person, persons or property on account of any act or omission, neglect or misconduct of said CONSULTANT, its officers, agents and/or employees arising out of, or in performance of any of the provisions of the CONTRACT DOCUMENTS, including any claims or amounts recovered for any infringements of patent, trademark or copyright; or from any claims or amounts arising or recovered under the "Worker's Compensation Act" or any other law, ordinance, order or decree. In connection with any such claims, lawsuits, actions or liabilities, the VILLAGE, its trustees, officers, directors, agents, employees, representatives and their assigns shall have the right to defense counsel of their choice. The CONSULTANT shall be solely liable for all costs of such defense and for all expenses, fees, judgments, settlements and all other costs arising out of such claims, lawsuits, actions or liabilities.

The CONSULTANT shall not make any settlement or compromise of a lawsuit or claim, or fail to pursue any available avenue of appeal of any adverse judgment, without the approval of the Village and any other indemnified party. The Village or any other indemnified party, in its or their sole discretion, shall have the option of being represented by its or their own counsel. If this option is exercised, then the consultant shall promptly reimburse the Village or other indemnified party, upon written demand, for any expenses, including but not limited to court costs, reasonable attorneys' and witnesses' fees and other expenses of litigation incurred by the Village or other indemnified party in connection therewith.

The indemnification obligation under this paragraph shall not be limited in any way by any limitations on the amount or type of damages, compensation or benefits payable by or for the benefit of Subcontractor or any indemnities under any Worker's Compensation Act, Occupational Disease Act, Disability Benefits Act, or any other employee benefits act. The Subcontractor further agrees to waive any and all liability limitations based upon the Worker's Compensation Act court interpretations or otherwise.

Execution of this Contract by the VILLAGE is contingent upon receipt of Insurance Certificates provided by the CONSULTANT in compliance with the CONTRACT DOCUMENTS.

SECTION 6: COMPLIANCE WITH LAWS: CONSULTANT agrees to comply with all federal, state and local laws, ordinances, statutes, rules and regulations including but not limited to the Illinois Human Rights Act as follows: CONSULTANT hereby agrees that this contract shall be performed in compliance with all requirements of the Illinois Human Rights Act, 775 ILCS 5/1-101 *et seq.*, and that the CONSULTANT and its subcontractors shall not engage in any prohibited form of discrimination in employment as defined in that Act and shall maintain a sexual harassment policy as the Act requires. The CONSULTANT shall maintain, and require that its subcontractors maintain, policies of equal employment opportunity which shall prohibit discrimination against any employee or applicant for employment on the basis of race, religion, color, sex, national origin, ancestry, citizenship status, age, marital status, physical or mental disability unrelated to the individual's ability to perform the essential functions of the job, association with a person with a disability, or unfavorable discharge from military service. CONSULTANT and all subcontractors shall comply with all requirements of the Act and of the Rules of the Illinois Department of Human Rights with regard to posting information on employees' rights under the Act. CONSULTANT and all subcontractors shall place appropriate statements identifying their companies as equal opportunity employers in all advertisements for workers to be employed in work to be performed under this contract.

The CONSULTANT shall obtain all necessary local and state licenses and/or permits that may be required for performance of the WORK and provide those licenses to the VILLAGE prior to commencement of the WORK.

SECTION 7: NOTICE: Where notice is required by the CONTRACT DOCUMENTS it shall be considered received if it is delivered in person, sent by registered United States mail, return receipt requested, delivered by messenger or mail service with a signed receipt, sent by facsimile or e-mail with an acknowledgment of receipt, to the following:

To the VILLAGE:

Denise Domalewski, Contract Administrator
Village of Orland Park
14700 South Ravinia Avenue
Orland Park, Illinois 60462
Telephone: 708-403-6173
Facsimile: 708-403-9212
e-mail: ddomalewski@orlandpark.org

To the CONSULTANT:

Richard Brady, President
Matrix Consulting Group
201 San Antonio Circle, Suite 148
Mountain View, California 94040
Telephone: 650-858-0507
Facsimile: 650-917-2310
e-mail: rbrady@matrixca.net

or to such other person or persons or to such other address or addresses as may be provided by either party to the other party.

SECTION 8: STANDARD OF SERVICE: Services shall be rendered to the professional standards applicable to the same or similar services in the Chicagoland area. Sufficient competent personnel shall be provided who with supervision shall complete the services required within the time allowed for performance. The CONSULTANT's personnel shall, at all times present a neat appearance and shall be trained to handle all contact with Village residents or Village employees in a respectful manner. At the request of the Village Manager or a designee, the CONSULTANT shall replace any incompetent, abusive or disorderly person in its employ.

SECTION 9: PAYMENTS TO OTHER PARTIES: The CONSULTANT shall not obligate the

VILLAGE to make payments to third parties or make promises or representations to third parties on behalf of the VILLAGE without prior written approval of the Village Manager or a designee.

SECTION 10: COMPLIANCE: CONSULTANT shall comply with all of the requirements of the Contract Documents, including, but not limited to, the Illinois Prevailing Wage Act where applicable and all other applicable local, state and federal statutes, ordinances, codes, rules and regulations.

SECTION 11: FREEDOM OF INFORMATION ACT COMPLIANCE: The Illinois Freedom of Information Act (FOIA) has been amended and effective January 1, 2010. This amendment adds a new provision to Section 7 of the Act which applies to public records in the possession of a party with whom the Village of Orland Park has contracted. The Village of Orland Park will have only a very short period of time from receipt of a FOIA request to comply with the request, and there is a significant amount of work required to process a request including collating and reviewing the information.

The undersigned acknowledges the requirements of FOIA and agrees to comply with all requests made by the Village of Orland Park for public records (as that term is defined by Section 2(c) of FOIA) in the undersigned's possession and to provide the requested public records to the Village of Orland Park within two (2) business days of the request being made by the Village of Orland Park. The undersigned agrees to indemnify and hold harmless the Village of Orland Park from all claims, costs, penalty, losses and injuries (including but not limited to, attorney's fees, other professional fees, court costs and/or arbitration or other dispute resolution costs) arising out of or relating to its failure to provide the public records to the Village of Orland Park under this agreement.

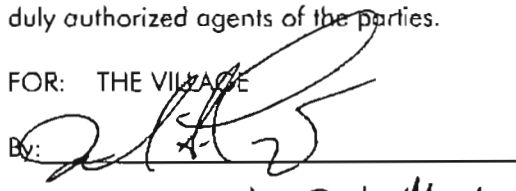
SECTION 12: LAW AND VENUE: The laws of the State of Illinois shall govern this Contract and venue for legal disputes shall be Cook County, Illinois.

SECTION 13: MODIFICATION: This Contract may be modified only by a written amendment signed by both PARTIES.

SECTION 14: COUNTERPARTS: This Contract may be executed in two (2) or more counterparts, each of which taken together, shall constitute one and the same instrument.

This Contract shall become effective on the date first shown herein and upon execution by duly authorized agents of the parties.

FOR: THE VILLAGE

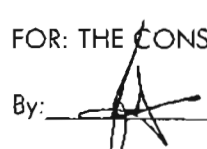
By: 

Print Name: Joseph S. Lemary

Title: Village Manager

Date: 9/21/18

FOR: THE CONSULTANT

By: 

Print Name: Richard Brady

Title: President

Date: 08/17/2018

**Proposal to Conduct an Operational
Staffing and Service Delivery Assessment**

ORLAND PARK, ILLINOIS

matrix
consulting group



HRGreen

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August 3, 2018

Mr. Joseph La Margo
Village Manager
Village of Orland Park
14700 Ravinia Avenue
Orland Park, IL 60462

Dear Mr. La Margo:

The Matrix Consulting Group is pleased to submit a Proposal to Conduct an Operational Staffing and Service Delivery Assessment for the Village of Orland Park. The Matrix Consulting Group, Ltd. and HR Green, Inc. have partnered for this submission creating what we believe is a comprehensive team that is without equal in the country in providing these services.

The Matrix Consulting Group is a national firm, with a regional office in Illinois, dedicated to providing local government management consulting services to cities and counties across the United States. We will be the lead and contracting firm on this engagement. We are partnering with HR Green, a national consulting firm with a regional office in Illinois, specializes in transportation, water, land development, environment, and construction services and evaluation. Key individuals in these two firms have worked together on prior projects – establishing an effective working relationship that will be beneficial on this engagement.

Our proposed project team is highly experienced and are all full-time consultants with our respective firms. Individual team members also have prior government management experience. Our depth is summarized as follows:

- Matrix Consulting Group's exclusive market and service focus is management, financial, staffing and operations analysis of public sector organizations. Over 95% of our work is with local government entities focused on organizational, operational and service delivery analytical efforts.
- Both the Matrix Consulting Group and HR Green have extensive experience advising and assisting local governments with the efficient delivery of municipal services. This work has included both improved traditional service deliveries as well as creative alternative service delivery options.
- The Matrix Consulting Group has conducted over 75 organization-wide studies around the country in the last decade which have encompassed all municipal functions. Representative clients include:

Organization-wide Studies

Albuquerque, New Mexico	Goodyear, Arizona	Portsmouth, New Hampshire
Augusta, Georgia	Half Moon Bay, California	Rancho Mirage, California
Avon, Connecticut	Johnson County, Kansas	Rancho Palos Verdes, CA
Barstow, California	Monroe County, Michigan	Raymore, Missouri
Brattleboro, Vermont	Monrovia, California	Roseville, California
DeKalb County, Georgia	Montpelier, Vermont	Spokane, Washington
Deltona, Florida	Orland Park, Illinois	Sunnyvale, California
Franklin Township, NJ	Orleans, Massachusetts	Tinley Park, Illinois
Fort Morgan, Colorado	Orting, Washington	Waltham, Massachusetts

- Individually and collectively, our firms have extensive experience evaluating efficiency and effectiveness of operational practices within municipal government and evaluating opportunities for the use of alternative service delivery models. Our subject matter expertise encompasses every local government function.
- HR Green specializes in providing comprehensive services in Governmental Services, Transportation, Water, Land Development, Environmental, and Construction. HR Green staff collaborate across disciplines in providing services to their clients. They have worked with thousands of clients with a particularly strong emphasis on infrastructure assessments, public works and planning and building operations. HR Green is an industry leader in providing Alternative Service Delivery services for municipalities.

As President of the Matrix Consulting Group, Ltd., I am authorized to sign this proposal, negotiate on the firm's behalf and bind it contractually.

We look forward to an opportunity to meet with your selection committee to further discuss our background, qualifications, and experience. If you have any questions please contact me at the letterhead address or by phone at 650-858-0507, by fax at 650-917-2310 or by email at rbrady@matrixcg.net.

Richard Brady
President

Matrix Consulting Group



1 Background on the Firms and the Project Team

This section of the proposal provides background information regarding the firms, a detailed proposed project team, qualifications and experience of the team members, and a resume of the Project Manager.

1. Overview of the Matrix Consulting Group, Ltd.

The Matrix Consulting Group's only business focus is the provision of organization, staffing and management analytical services to the public sector. While we work with all types of public sector entities, over 95% of our clients are local governments. Our philosophy in providing management consulting services is to address our clients' issues and needs in a fact-based manner that not only solves immediate problems, but also provides management and staff with implementation assistance and ways to continue to manage effectively into the future.

The following points provide specific information regarding the firm's background, focus and composition:

- The Matrix Consulting Group was founded in 2002 and is an independent organization, not a subsidiary of any firm.
- The firm is domestically incorporated in California. Our headquarters are in Mountain View with a satellite office in Irvine. In addition, we have regional offices in Washington, Oregon, Illinois, North Carolina, Texas and Massachusetts.
- Our *only* market and service focus is management, staffing and operations analysis of local government.
- We currently have 18 full-time and 8 part-time staff.

Since our creation, the firm has developed a reputation for in-depth and quality analysis and responsiveness to our local government clients.

2. Overview of HR Green

For more than a century, HR Green has been dedicated to providing the services that their clients need to achieve success. HR Green collaborates across geographies and markets to provide the engineering, technical, and management solutions that connect and shape communities and are driven by the commitment of our clients. HR Green provides comprehensive services in Governmental Services, Transportation, Water, Land Development, Environmental, and Construction. We assist our government clients in the management and operations in such areas as Administration, Inspectional Services,

Public Works and Community Development. HR Green professionals can be counted on to help clients maintain service quality with challenging budgets.

HR Green professional staff includes former public sector employees. In fact, 80% of our staff has an average of 18 years of experience in working for the public sector. Our staff helps clients identify, qualify and implement workable ways to improve and optimize service delivery. These solutions have been successful in helping governments with their most significant issues by reducing expenses by creating efficiencies; helping to manage their programs, and to assist in providing a high level of service to their constituents. HR Green enjoys a longstanding reputation for environmental stewardship, public service and technical excellence. The firm is consistently ranked among ENR's Top 500 Design Firms in the United States. Founded in 1913, the firm now employs nearly 450 people with offices in Illinois (four offices), California, Colorado, Iowa, Minnesota, Missouri, Pennsylvania, South Dakota and Texas.

HR Green's Governmental Services professionals combine creativity with reliability to provide staff augmentation and consulting services to local governments. They provide engineering, public works, planning, and building departments with staff to meet the variable workloads without the normal long-term costs. HR Green is a national leader in providing Alternative Service Delivery for municipalities. HR Green has also completed numerous organizational / operational studies for public works agencies, community development departments and other municipal services nationwide. HR Green understands the requirements, needs and challenges facing local governments.

3. Our Management Studies Philosophy

Our firm's reputation is based on providing detailed analysis through extensive data collection, input and interaction with our clients. The cornerstone of our philosophy in conducting organization and management studies is summarized in the following points:

- A principal of the firm is always involved in our work for our government clients. For this project, we would commit the Vice President of the company, Mr. Alan Pennington, who leads our general consulting practice. He has 13 years of local government consulting experience and 14 years of local government work experience.
- We approach our projects with a firm grounding in formal analytical methodologies. All impacts are identified and analyzed in detail to ensure that recommendations are implemented and our clients (and the public they serve) can understand the reasons for recommended changes. This is achieved by:
 - Use of proven project management techniques.
 - Extensive input from municipal staff members through interviews and surveys; extensive input from other stakeholders (e.g., elected officials as well as community representatives).
 - Detailed data collection and analysis derived from primary sources.

- Extensive internal reviews of facts, findings, conclusions and recommendations as studies proceed.
- Detailed implementation plans.

This philosophy and approach has provided our clients with valuable assistance and advice in dealing with important public policy issues. It also provides a high level of buy-in from all affected stakeholders, as they have multiple opportunities for participation in the study and have the opportunity to be apprised of our progress throughout the term of the engagement. It has also resulted in very high levels of implementation of our recommendations.

3. Project Management and Controls

We believe very strongly in the science of our craft. As a result, we utilize formal project management techniques in our studies. These techniques include:

- All project work activities are defined in advance and tied to each project team member, deliverables, the schedule and the budget.
- The project manager briefs each project team member on their roles and expectations. This is accomplished in writing and in person.
- The project manager and lead analysts develop general and project specific data collection plans and interview guides for all of our staff.
- Project team and client expectations and results are managed on a weekly basis by developing and utilizing formal project schedules and reporting tools.
- The project manager designs and personally reviews all interim and final products before they are delivered to the client.
- We have frequent client review meetings to discuss the quality and direction of the project through interim deliverables.

These project management approaches have resulted in all of our projects being delivered at a high level of quality, on time and on budget.

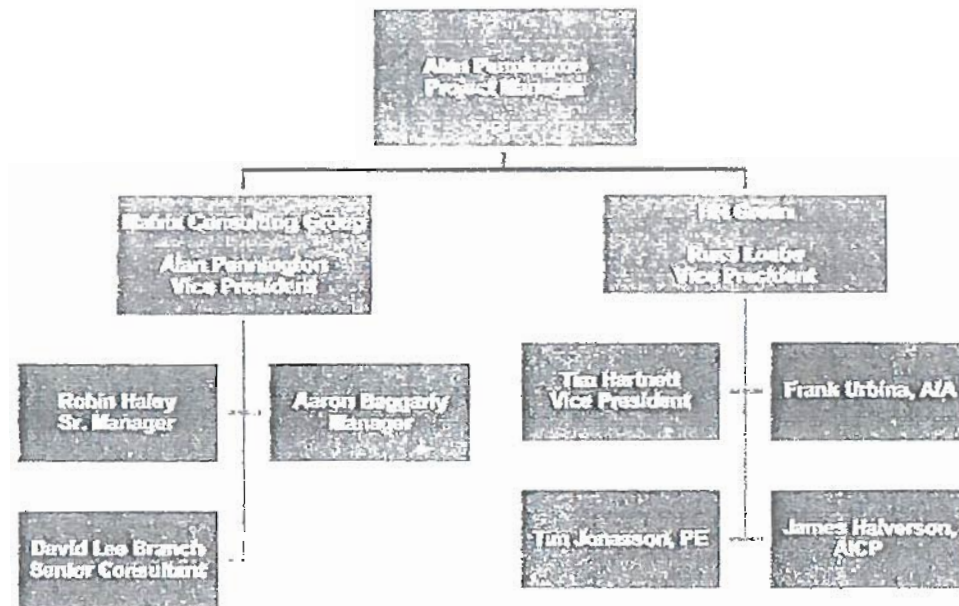
4. Proposed Project Team

We have proposed to utilize a well-experienced project team on this engagement that consists of highly qualified consultants who are recognized leaders in their field. All individuals in our project team are employees of either the Matrix Consulting Group or HR Green.

The overall Project Manager for this engagement will be Mr. Alan Pennington, Vice President of the Matrix Consulting Group and leader of our General Consulting Practice. He will serve as the primary point of contact for Orland Park during the performance of services and

oversee and coordinate our project team. The following organization chart portrays the overall composition and structure to our proposed project team.

Orland Park Project Team



5. Project Team Biographies.

The following summary biographies provide relevant background information on each member of the proposed project team members for all proposed project team members.

Summary Biographies (Qualifications, Experience, and Education)

Alan Pennington is a Vice President with the Matrix Consulting Group. He will serve as Project Manager for the overall engagement and oversee the Matrix Consulting Group project team. Since joining the firm in 2005, Mr. Pennington has overseen over 100 local government management studies and leads our General Consulting Practice. Prior to joining the Matrix Consulting Group, he served 14 years in local government. Mr. Pennington is based in our Midwest regional office in Edwardsville, Illinois.

His experience conducting organizational assessments includes: Albuquerque (NM), Carroll County (NH), Corporation for Public Broadcasting (D.C.), DeKalb County (GA), Franklin Township (NJ), Fort Morgan (CO), Johnson County (KS), Montgomery College (MD), Montpelier (VT), Mt. Lebanon (PA), Orland Park (IL), Peoria County (IL), Rancho Mirage (CA), Rancho Palos Verdes (CA), Raymore (MO), Roseville (CA), Tinley Park (IL), University at Albany SUNY (NY), Vermont Secretary of State (VT), and Washington State Ferries. His experience conducting departmental studies includes: Avon (CT), Dayton (OH), Lake County (IL), Irvine (CA), Missouri Department of Conservation (MO), Niles (IL), Riverside (CA), Rockingham County (NH), Riverside (CA), Springfield (MA), and Sunnyvale (CA).

Mr. Pennington is a member of the following professional associations: The International City/County Management Association and the Association of Local Government Auditors. Mr. Pennington has a BA (Public Management) and M.P.A. from the University of Maine.

Robin Haley is a Senior Manager and will be a Senior Analyst on this engagement. He has over 25 years of consulting experience in the public sector covering a wide spectrum of functions and issues. Mr. Haley's career has included assignments as consultant and project manager on over 100 operational, organizational and management improvement studies nationwide. His experience covers all local government functions with a particular emphasis on public works, infrastructure, and utilities. Current and recent relevant clients include: Beverly Hills (CA), DeKalb County (GA), Honolulu (HI), Lake County (IL), Joliet (IL), Ogden (UT), Pittsburgh (PA), San Mateo County (CA), Torrington and Windsor (CT).

He holds a BS in Industrial Management from the Georgia Institute of Technology, and an MBA from Georgia State University.

Aaron Baggarly is a Manager with the Matrix Consulting Group and is part of our General Consulting and Public Safety Divisions. He will be a Project Analyst on this engagement. Mr. Baggarly has extensive experience in organizational, operational, and planning studies for local, state and national agencies.

Mr. Baggarly has performed a wide array of analysis for public sector clients. Recent clients involving inspectional service evaluations include: Blacksburg (VA), Burlington (VT), Downey (CA), and Tinley Park (IL). Mr. Baggarly has conducted over 40 studies related to local detention center operations, and over 60 criminal justice related projects. Significant experience focuses on operational assessments and cost associated with operating local detention facilities. Recent projects include Anoka County (MN), Ramsey County (MN), Hennepin County (MN), Lynnwood (WA), and Pasco County (FL).

Mr. Baggarly has a BS in Community and Regional Planning from Appalachian State University.

David Branch is a Senior Consultant with the Matrix Consulting Group specializing in administrative services and has been with the firm for 5 years.

In his time with the firm he has contributed to dozens of studies, including the following with human resources evaluations: Carroll County (NH), Cedar Rapids (IA), DeKalb County (GA), Lake County (IL), Montgomery College (MD), Polk County (FL), Riverside (CA), Rockingham County (NH), Seattle City Light (WA), Springfield Water & Water (MA), and Virginia Beach (VA).

Mr. Branch received his B.S. in Public Policy, Management, and Planning from USC, and his Masters in Secondary Education from the University of Missouri – St. Louis.

Russ Loebe, ICMA-CM is Vice President in HR Green's Governmental Services Business Line and will serve as the HR Green Project Lead. Before joining HR Green in 2011, Mr. Loebe spent 33 years in local government working for the Village of New Lenox, Illinois. During his career with New Lenox, Mr. Loebe served for 25 years as the Village Administrator and 8 years as the Director of Public Works. As Administrator in one of the fastest growing communities in the Chicago metro area (5-fold population increase in 30 years), Mr. Loebe has been responsible for the management of all aspects of municipal government, managing dozens of major capital projects, award winning budgets and CAFRs, labor contracts and scores of residential, commercial and industrial development projects. Mr. Loebe was instrumental in designing and creating the legal framework and organizational structure for a multi-governmental health insurance pool in 1989. Since joining HR Green, Mr. Loebe has led numerous projects and studies for local government including organizational and staffing studies, multi-community shared serviced studies, utility rate analysis, and general management consultation.

In 2002, the American Public Works Association Chicago Chapter honored Mr. Loebe as their "Public Works Leader of the Year". He was recognized for his development and management of many municipal programs and capital projects including overseeing the planning, design, construction and financing of a \$10M dollar 13 mile Lake Michigan water distribution project. In 2011 Mr. Loebe was received the Illinois City Management Association's - Robert B. Morris Life Time Achievement Award. Mr. Loebe has published numerous professional articles and has been a frequent instructor/presenter on local government issues for municipal employees and elected officials.

Mr. Loebe is an ICMA Credentialed City Manager. He has a BS in Environmental Technology from Southern Illinois University at Edwardsville and a Licensed Illinois Class 1 Wastewater Treatment Operator, and an ICMA – CM Credentialed City Manager. With his experience in water/wastewater system operations, as well as his city management experience.

Tim Hartnett is Vice President and Midwest Practice Leader in Governmental Services for HR Green. He oversees the group in all the Midwest offices. Mr. Hartnett has provided ongoing municipal engineering services to several municipalities in northern Illinois over the last 20 years, including the Villages of Antioch, Johnsburg and Marengo. Municipal services involved subdivision and site improvement review and approval process from concept plan through the final plat in accordance with the municipality's municipal code, engineering standards, applicable development agreement and annexation agreements. Mr. Hartnett has considerable experience with grants and funding procurement for roadway, parks and facility improvements, construction observation, meeting general engineering advisory services, water and wastewater master planning, capital involvement planning and implementation, MFT road programs and staff augmentation and support. He also serves as the lead contact between HR Green clients and the various design/field staff members executing all projects within the communities he represents. In addition, he leads the public education/ outreach programs to the residents, businesses, schools and neighboring communities.

Mr. Hartnett received his BS in Engineering Design from Northern Illinois University. He is a member of the Illinois Municipal League and the American Council of Engineering Companies.

Frank Urbina, NCARB, AIA, Licensed Architect, is the Building and Code Group Leader with HR Green. He has over 28 years of experience as a Licensed Architect, Project Manager, Building Inspector and Building Commissioner in the private and public sectors of Architecture, Construction and Municipal Government. He is currently the Chief Building Official to HR Green's Building and Code Governmental Services Business Line – Midwest. Mr. Urbina is officially certified with the ISBOE as a Plan Reviewer and Inspector, has managed a wide variety of building services and their processes including plan reviews, construction inspections and code enforcement.

Mr. Urbina has previously managed his own architecture firm including the management of multiple construction trades, simultaneously overseeing their scope of work as well as management of municipal staff servicing the public. He understands department process efficiency relationships pertaining to meeting budgets, revenues and expenses and the importance of servicing the public. Mr. Urbina has also administered Village Building and Zoning and Code Enforcement Departments from permitting through issuing certificates of occupancy and code compliance. He has a proven track record of evaluating a Building Department and improving its performance processes and implementing a proactive educational approach to code enforcement. Mr. Urbina serves as project manager for numerous Illinois communities Building Department services contracts and will provide focus on the studies assessment of Community Development and Building and Code processes.

Mr. Urbina received his MA in Architecture from the University of Wisconsin, Milwaukee, and his BFA from the University of Illinois, Champaign-Urbana.

Tim Jonasson, PE, is a Municipal Services Executive II with HR Green. He has nearly 30 years of design, CIP program management, design management, plan review, NPDES/water quality compliance, and construction management experience of municipal public improvement projects, including roads, drainage, water, sewer, traffic, grading, parks, recreational facilities, parking lots and parking structures for numerous cities.

As Senior Manager for Development Services & Economic Development in the City of Jurupa Valley (CA) Mr. Jonasson works closely with the Public Works, Engineering, Planning and Building and Safety Departments to facilitate the delivery of public and private projects as well as multi-agency coordination. Mr. Jonasson is also leading the City's effort to update its development review processes to be more efficient, transparent and developer friendly to foster economic development in the City. For 15 years he served as Public Works Director/City Engineer for the City of La Quinta (CA) where he oversaw a Capital Improvement Program (CIP) budget of \$14.7 million and a department operating budget of \$5.3 million.

Mr. Jonnason has provided expertise and guidance to the La Quinta Executive Team and City Council with additional responsibility for flood plain administration, storm water protection compliance, approval of plans for capital projects and private development and administration of Lighting and Landscape District. He served as a working director leading a department of 27 full-time employees (Public Works, Planning & Building) while providing oversight of all private development entitlement and permitting, contracts for capital project management, construction inspection, traffic engineering, fleet maintenance, and street and landscape maintenance. He also has served as the Interim Public Works Director for the City of Palm Desert (CA) to oversee departmental operations, including CIP, Land Development, Construction Inspection, Facilities, Streets and Parks Maintenance, Solid Waste and Recycling programs.

He received an MBA from Cal State, Northridge, and a BS in Civil Engineering from San Jose State University. He is a registered civil engineer in California.

James Halverson, AICP - has a strong background in community development, urban planning, economic development, growth management and brownfield redevelopment. Jim has been responsible for helping facilitate collaborative project reviews for an array of development projects including rezoning, site development planning, platting, conditional use permits, and specialized zoning requests. His past experience completing a variety of departmental reviews, including the development process review for numerous municipal clients including the Emirate of Abu Dhabi provides him with the qualifications necessary to for the review and assessment of Community Development and Building and Code processes.

As the former Director of the Cedar Rapids Department of Development (currently known as the Community Development Department) and the Linn County Regional Planning Commission (currently known as the Corridor MPO), Jim's responsibilities and experiences have included oversight of city and regional long-range planning activities, engineering development reviews, economic/ land development efforts, as well as grant and program initiatives including administration of federal entitlement programs. Under Jim's leadership, Cedar Rapids processed several hundred land development processes annually. Process improvements to bring more collaboration among participating departments and greater clarity for developers were among his more notable achievements.

Since leaving the City of Cedar Rapids Jim is serving as the Chairperson of the Cedar Rapids City Planning Commission. This experience compliments Jim's former administrative role and deepens his perspective about the connection between technical staff reviews and the role of appointed and elected bodies.

A completed resume for the Project Manager assigned for this engagement is provided on the following pages.

ALAN D. PENNINGTON
VICE PRESIDENT, MATRIX CONSULTING GROUP

Background: Alan Pennington is a Vice President with the Matrix Consulting Group and leads our General Consulting Practice. He has been employed by the Matrix Consulting Group since 2005. Prior to that he served for over 15 years in public sector positions in Maine and Illinois. He served in Peoria, Illinois (from 1992 to 2005), in various positions including Assistant City Manager, Assistant Human Resources Director, and Labor Relations Manager. Mr. Pennington has conducted operational studies and analysis, budget preparation, implementation of performance measurement systems, direct supervision of an emergency communications center, equal opportunity unit and a labor negotiator. Mr. Pennington is trained in Six Sigma.

Administrative Services: Conducted studies of administrative support services including Human Resources, Finances, Procurement, and City Clerk. Study scope of work included performance measurement, customer service (internal and external), technology utilization, staffing evaluations, policy and procedure review, and comparison to best management practices.

Avon (CT) - HR, Finance, Maintenance	Peoria County (IL) - HR, Procurement, Finance
Carroll County (NH) – Human Resources	Portsmouth (NH) - Labor Relations, Overtime
Charlotte (NC) - Procurement	Riverside (CA) - Finance
CPS Consultants (CA) – Organizational, HR	Riverside (CA) – Human Resources
Highland Park (IL) – HR	Rockingham County (NH) – Human Resources
Ketchikan (AK) – HR Division Assessment	Salt Lake City (UT) - Human Resources
Los Angeles (CA) – Payroll	Santa Clara Valley Water (CA) – Procurement
Irvine (CA) – Administrative Services incl. HR	Seattle City Light (WA) – Worker's Compensation
Imperial Irrigation District (El Centro, CA) – HR	Springfield (MA) - City Clerk
Madison Area Technical College - HR	Springfield (MA) - Finance, Procurement
Marshall University (WV) - Procurement	Sunnyvale (CA) – Finance, Procurement
Matanuska (AK) - School Site Selection	University of Maryland University College -HR
Missouri Department of Conservation - HR	West Virginia University (WV) - Procurement

Agency-Wide Studies: Participated on project teams conducting evaluations of entire city organizations. Work scope included evaluation of service levels and policies and procedures, staffing levels, evaluation of spans of control, and reviewing alternatives options for overall organizational structure.

Albuquerque, New Mexico	Peoria County, Illinois
Corporation for Public Broadcasting, Wash., D.C.	Rancho Mirage, California
DeKalb County, Georgia	Rancho Palos Verdes, California
Fort Morgan, Colorado	Raymore, Missouri
Franklin Township, New Jersey	Roseville, California
Half Moon Bay, California	Salt Lake County, Utah
Johnson County, Kansas	South Coast Water District, California
Montpelier, Vermont	Tinley Park, Illinois
Mt. Lebanon, Pennsylvania	University at Albany - SUNY
Orland Park, Illinois	Washington State Ferries

Public Works and Utilities: Conducted studies of full service public works departments including maintenance, fleet, traffic, engineering, and roads. Studies have focused on evaluation of maintenance management, crew sizes and staff utilization, technology, organizational structure, standard operating procedures, levels of performance management, and feasibility of shares services with neighboring governmental units.

ALAN D. PENNINGTON
VICE PRESIDENT, MATRIX CONSULTING GROUP

Alexandria, Virginia	Nashville-Davidson County, Tennessee
Charleston County, South Carolina	Orleans, Massachusetts
Franklin, Tennessee (Water/Wastewater)	Rock County, Wisconsin
Franklin, Tennessee (Fleet Management)	Washington County, New York
Milwaukee, Wisconsin	White Plains, New York

Parks and Recreation: Evaluated parks and recreational functions including scope of services provided, utilization of facilities, public-private partnerships, preventive maintenance and long-range planning, and technology utilization.

Elmhurst Park District, IL	Orleans, Massachusetts
Grand Rapids, Michigan	Seattle, Washington
Los Angeles, California	Southlake, Texas

Community Development (Planning, Building, Code Enforcement): Evaluated the development review and permitting processes. Conducted assessment of staffing, operations, process mapping, technology utilization, performance level assessment, and customer service.

Blacksburg, Virginia	Lee's Summit, Missouri (Code Administration)
Cupertino, California	Lee's Summit, Missouri (Planning)
Dayton, Ohio	Little Rock, Arkansas
Des Moines, Washington	Manatee County, Florida
Downey, California	Marion County, Oregon
Greenville, South Carolina	Niles, Illinois
Gwinnett County, Georgia	Redlands, California
Hanover County, Virginia	San Jose, California
Hilton Head Island, South Carolina	Springfield, Massachusetts
Johnson City, Tennessee	Sunrise, Florida (two studies)
Lawrence, Kansas	West Palm Beach, Florida

Public Safety: Mr. Pennington has conducted a variety of studies related to public safety areas covering the range of Police and Fire Services. On larger studies, Mr. Pennington has focused on evaluation and assessment of the Administrative Services (Human Resources, Finance, Records Administration, etc.).

Des Peres, Missouri (Public Safety)	Orange County Sheriff, Florida (Admin. Services)
Jacksonville, Florida Sheriff (Admin. Services)	Raymore, Missouri (Police)
Omaha, Nebraska (Collective Bargaining)	West Des Moines, Iowa (Fire)
Portsmouth, New Hampshire (Collective Bargaining)	Winnipeg, Canada (Police)

PROFESSIONAL ASSOCIATIONS:

Association of Local Government Auditors (ALGA)
 International City-County Management Association (ICMA)
 International Public Management Association for Human Resources (IMPA)
 International Code Council (ICC)
 American Planning Association (APA)

EDUCATION:

BA, University of Maine – Public Management; 1990.
 MPA, University of Maine – Public Administration, 1992.

2 Project Experience and References

The following sections outline our experience in providing consulting services to local governments. Our depth and breadth of service offerings is without equal in the local government consulting market.

1. Firm Experience Conducting Organizational-wide Assessments.

We have conducted over 75 organization-wide assessment since our founding. These assessments have evaluated operational practices and staffing requirements for all aspects of local government operations. The following table summarizes our most recent or applicable experience:

Organization-wide Studies

Albuquerque, New Mexico	Goodyear, Arizona	Portsmouth, New Hampshire
Augusta, Georgia	Half Moon Bay, California	Rancho Mirage, California
Avon, Connecticut	Johnson County, Kansas	Rancho Palos Verdes, CA
Barstow, California	Monroe County, Michigan	Raymore, Missouri
Brattleboro, Vermont	Monrovia, California	Roseville, California
DeKalb County, Georgia	Montpelier, Vermont	Spokane, Washington
Deltona, Florida	Orland Park, Illinois	Sunnyvale, California
Franklin Township, NJ	Orleans, Massachusetts	Tinley Park, Illinois
Fort Morgan, Colorado	Orting, Washington	Waltham, Massachusetts

2. Firm Experience Conducting Department-Specific Studies.

In addition to our numerous organization-wide studies, the firm and project team have also conducted dozens of stand-alone studies of municipal operations. These projects focused on evaluating staffing needs, alternative service delivery, and compliance with applicable industry best practices.

Specific Functional Area Studies

Community Development	Blacksburg (VA)	Hilton Head Island (SC)
	Beverly Hills (CA)	Kissimmee (FL)
	Boston (MA)	Lawrence (KS)
	Culver City (CA)	Lee's Summit (MO)
	DeKalb County (GA)	Niles (IL)
	Downey (CA)	Redlands (CA)
	East Point (GA)	Sunrise (FL)
	Flower Mound (TX)	ToHo Water Authority (FL)

Finance / Purchasing	Albany (CA) Broward County (FL) Charlotte (NC) Hilton Head Island (SC) Monrovia (CA)	Riverside (CA) Rockingham County (NH) Springfield (MA) Sunnyvale (CA)
Human Resources	Highland Park (IL) Imperial Irrigation District (CA) Ketchikan (AK) Polk County (FL) Rockingham County (NH) Salt Lake City (UT)	Polk County (FL) Riverside (CA) Virginia Beach (VA) Volusia County Transportation Planning Organization (FL)
Information Technology	Brea (CA) Edmond (OK)	Redding (CA) Salt Lake City (UT)
Public Works	Alexandria (VA) Cedar Rapids (IA) Denton (TX) Lee's Summit (MO) Oakland (CA)	Oconomowoc (WI) Rock County (WI) Sacramento (CA) Waukesha County (WI) White Plains (NY)

4. Project References.

The following table provides several references for work conducted by the Matrix Consulting Group and HR Green. Additional references can be provided upon request.

References and Descriptions of Similar Projects

Matrix Consulting Group References

DeKalb County, Georgia	This project included an evaluation principally of the organizational functions under the control of the County's Chief Executive. The focus of the study was on identifying process improvement opportunities, staffing changes and organizational structure changes. The impetus of the study is the potential incorporation of a significant component of the County which will result in substantial revenue loss and the need for the County to reduce services. The evaluation included developing recommendations not only for direct services provided, but also for administrative support functions. A key evaluation was on evaluating impacts of incorporation, designing new service delivery approaches, and identifying core staffing requirements.
Organizational Efficiency	
Study	
Reference: Zach Williams Chief Operating Officer 404.371.3694 zwilliams@dekalbcountyga.gov www.dekalbcountyga.gov	

Salt Lake County, Utah**Process Improvement
and Business Process
Reengineering
Services****Reference:**

Carleton Christianson,
Director 385.468 7032
CJChristensen@slco.org

During this engagement, the firm conducted an organizational scan for the entire County organization to identify key issues, processes and staffing allocations impacting services. From this effort, a listing of prioritized areas for further inquiry was developed and evaluated. The additional areas included: development of a performance management program framework for implementation by the County Mayor's Office, an evaluation of staffing levels, organizational structure and processes for Information Technology and Human Resources, and review of maintenance programs. Areas of duplication in internal service delivery were identified and recommendations made to streamline services, reallocate staff to centralized functions, and implement service level agreements between internal service functions and operating departments.

Johnson County, Kansas**Organizational Structure
Assessment and
Optimization Study**

Reference: Penny Postoak
Ferguson
County Manager
913.715.0725

The Matrix Consulting Group evaluated this organization with a focus on analyzing: (1) alternative organizational structures; (2) opportunities for more efficient provision of services; (3) elimination of duplicated services in the organization; and (4) review of "internal support" functions and operating procedures for efficiencies. Selected recommendations included: reorganization to reduce number of Departments by 24% from 38 to 29; consolidation of internal service functions (facilities, IT, HR) currently provided in a decentralized (or partially decentralized) approach to allow operating departments to focus on their core services rather than internal support functions; to improve services to operating departments while reducing costs, and increasing managerial spans of control. All recommendations were developed to maintain or improve service levels. Long-term cost-savings were estimated at over \$2 million.

HR Green References**Chicago Metropolitan
Agency for Planning
(CMAP), Assistance
with Shared
Services/Joint
Purchasing Study for
the Village of
Oswego, Village of
Montgomery and
United City of
Yorkville –****Shared Services****Study Reference:**

Louise Yeung
Project Manager
312-454-0400
lyeung@cmaph.illinois

The Village of Oswego, the Village of Montgomery, and the United City of Yorkville are jointly conducting a study to analyze opportunities for a next generation of service delivery that encourages coordinating and jointly providing municipal services. The study undertaken by CMAP with guidance and feedback as well as facilitation and technical assistance from HR Green is examining the feasibility of reducing costs and increasing efficiency of municipal operations through shared services. The study's objectives are twofold: to provide the communities with concrete strategies for collaboration across a range of services, and to develop recommendations for a process to guide the municipalities' ongoing collaboration. The service areas addressed in the study include:

- **Public works** such as, road maintenance, waste collection, snow removal, landscaping and grounds maintenance, fleet maintenance and fuel purchasing, and equipment sharing.
- **Public safety** such as, ticket issuances and crime analysis
- **Planning and zoning** such as, plan review, transportation capital improvement coordination, and code enforcement
- **Economic and community development** such as, recreational programming, joint marketing, special event planning

- **Administrative operations** such as, human resources and professional development training, utility bill processing, and IT and data management

**Lemont, Illinois
Analysis of the
Development Review
Process**

Services Reference:
George Schafer
Village Administrator
(630) 243-2709
gschafer@lemont.il.us

Analyze the current development review and permitting processes for the Village and recommend changes to help improve these systems. The recommendations once implemented assist the Village in obtaining a timelier and efficient development review and permitting process working within the current Village's organizational structure. The net result of these recommendations will result in a *regulatory environment that is supportive of local economic health* and will help lead to high-quality development. The areas addressed in the study include, but are not limited to, the following:

- Planning and Economic Development
- Building Department Services
- Internal and External stakeholders interviews
- Performance measures
- Ordinance and Document reviews
- Use of Technology
- Process Flow

**Jurupa Valley,
California
Incorporation Study
Reference:**

Gary
Thompson
City Manager
951.332.6464
gthompson@jurupa-valle.org

In July, 2011 Jurupa Valley, with a population of roughly 100,000, was incorporated as a general law city, becoming the 28th city in Riverside County, and newest city in California. Just two days before incorporation, the City was faced with the unique challenge of losing nearly \$7M in general fund revenues due to the passage of Senate Bill (SB) 89. To efficiently transition to an incorporated local jurisdiction, Jurupa Valley City Council members approved a contract with a team of consultants, led by HR Green, for the delivery of services for all municipal operations. Key HR Green activities have included: establishing departmental processes, procedures, and performance benchmarks; preparing monthly progress reports to track activities, planned activities, and benchmarks; developing and establishing operations, organizational structure, staffing levels, and performance metrics for Planning, Public Works, Engineering, City Administration, Building Safety, and Code Compliance Departments; Incorporating technologies to save time and money, such as paperless processing; electronic plan check; GIS to manage assets, track permit and inspection activity, assist with CIP planning, and field inspection apps; identifying opportunities to share services or contracts with other organizations.

HR Green optimized service levels by initiating strategic partnerships with agencies/stakeholders (e.g., County agencies, special districts, school districts, and developers) to improve infrastructure for Jurupa Valley citizens funded by revenue sources from these other agencies. Jurupa Valley is recognized as the second most cost-efficient city in Riverside County based on cost of service per capita, realizing overall operational cost reductions by approximately 35%, leveraging paperless and other technological solutions, developing new revenue sources to compensate for the general fund shortfall, and implementing shared service delivery models.

We encourage you to reach out to our former clients to discuss the quality of the work provided to them.

3 Approach / Methodology / Schedule

This section of the proposal illustrates a proposed approach and project schedule for conducting this assessment.

1. Project Approach and Taskplan.

Develop an Understanding of Current Issues and Develop a Detailed Profile of Existing Operations.

To evaluate the organization and operations of Village operations under review, we need to develop an understanding of the key issues impacting and shaping service requirements today. To develop this perspective, we will conduct interviews with the Village Manager, senior executives and key managers and staff within the departments.

These interviews will focus on exploring issues and attitudes in the following areas:

- Adequacy of service levels, and perceived gaps in existing levels of service;
- Organizational changes which have been made in the past several years and perceptions of the impacts of these changes;
- Staffing changes in the past several years due to the economic environment or other causes;
- Goals and objectives with regard to the delivery of services in each of the departments;
- Adequacy of management systems and technology, and the extent to which managers utilize this information to make meaningful managerial, operational, scheduling and staff allocation decisions;
- Outsourcing philosophy of the Departments; the services that are currently outsourced and additional candidates. This would also include an assessment of the insourcing philosophy, i.e., what are the services that the Departments provide that can be expanded upon in terms of the levels of service.

Next, we will develop a detailed description of the services provided through the various departments under review. Our focus will be on how services are delivered, staffed, and managed, as well as the costs associated with the delivery of those services. The

development of this detailed description will be based on interviews as well as on the collection of operating information and data, including the following:

- The current organization of the services provided by the departments, including:
 - The structure and functions of each division and unit;
 - The staffing levels of each division;
 - The basic job responsibilities staff; and
 - The budgets for the current and three prior fiscal years.
- Documentation of all key operations, including:
 - Service scope and content;
 - How staff are scheduled and deployed;
 - Workload data;
 - Basic service levels; and
 - The extent of contracted services by type, size, and cost.
- Documentation of the current technology in use in the Departments;
- Documentation of the service levels and performance metrics for each department;
- Documentation of the key processes, work activities and workloads for the departments.

Once these initial data collection activities have been completed, the project team will prepare a summary descriptive profile that presents our understanding of the current organization, staffing, operations and costs of the services provided by the Village for each department under review.

TASK RESULT

The deliverable for this task will be a descriptive profile.

Task 2

Compare the Department's Operations and Practices to "Best Management Practices" with a Focus on Efficient and Effective Service Delivery, Staffing and Organizational Structure.

The purpose of this task is to evaluate the services provided by the departments in the context of best management practices in the profession. When conducting the best management practices assessment, each operational area would be assessed against unique management practices. The best practices comparison would be completed for each key function in these divisions and provide a "gap analysis" identifying areas where

improvements in processes, enhanced technology utilization or staffing modifications may enable increased or maintained service levels in a more efficient and effective manner.

The best practices utilized for comparison in this task would be based upon our accumulated knowledge and experience with efficient and effective organizations across the country, as well as through accepted industry benchmarks from such organizations as APWA, IFMA, ICC, APA, and others.

TASK RESULT

The deliverable of this task would be an evaluation of the Departments in comparison to best management practices.

Evaluate Staffing, Work Flow, and Service Levels and the Impact of the ERI on Staffing.

In this work task, the project team will analyze the staffing, work practices, and service levels within the departments under review with a focus on identifying new approaches to service delivery including alternative organizational, staffing and service delivery models. The assessment would include the following tasks:

- **Evaluate the levels of maintenance service delivered by each of the functions within the Public Works Department.** This analysis would focus on profiling the levels of service and assessing their adequacy and respective cost implications.
- **Evaluate the levels of plan review and inspection service delivered within the Development Services Department.** This analysis would focus on profiling the levels of service, timeliness of service and assessing their adequacy and respective cost implications.
- **Evaluate the levels of maintenance service delivered by each of the functions within the Parks and Grounds Department.** This analysis would focus on profiling the levels of service and assessing their adequacy and respective cost implications.
- **Evaluate the levels of maintenance service delivered by each of the functions within the Recreation Department.** This analysis would focus on profiling the levels of service and assessing their adequacy and respective cost implications.
- **Evaluate the adequacy of major work practices utilized by each Department.** This analysis would focus on the identification of opportunities to streamline

internal processes and assignments as well as work practices to increase productivity and/or enhance their effectiveness. This would include interdepartmental processes – such as development review plan review and inspection services.

- **Evaluate the levels of administrative service delivered by each of the functions within the Police Department Administrative Services group.** This analysis would focus on profiling the levels of service and assessing their adequacy and respective cost implications.
- **Evaluate work planning and scheduling.** This analysis would focus on systems and processes used to plan and schedule work activities in the Departments.
- **Evaluate productivity and staffing levels against work output guidelines.** Over the years, we have developed guidelines for staffing in a variety of service areas based on analysis of industry standards and actual work measurement of maintenance activities. In evaluating the adequacy of staffing levels in the departments under review.
- **Evaluate the skill mix of current staff.** In this task, we will evaluate the positions currently staffed to determine if alternative position types or modifications to position classifications provide an opportunity for greater cross-training and cross-utilization of existing staff resources.
- **Evaluate outsourcing and insourcing opportunities.** The services provided by the Village would be evaluated for outsourcing and insourcing, recognizing that this choice has multi-faceted dimensions including cost, responsiveness, level of service guarantees, contract oversight, availability of competitors, etc. This evaluation will assess opportunities to deploy best management alternative service delivery options. This analysis will incorporate the impact of the Village's ERI program.
- **Evaluate performance management methods in the Village.** The project team will assess the degree to which performance in the Village are managed and reported. Key performance indicators will be utilized to identify appropriate service levels for the future for major service areas.
- **Evaluate the potential impact of the ERIs on the Village.** Based upon projections from the Village on the potential staff that will take advantage of the ERIs, the project team will evaluate staffing requirements and alternatives that will address the anticipated staff changes due to the ERI programs. This will we done

in conjunction with the evaluation of alternative service delivery approaches to provide a holistic approach to future service delivery.

At the conclusion of this task, we will have evaluated all areas of the Village under review in the areas of work and operational practices, service levels, work flows and work activities to identify improvement opportunities. In conjunction with interviews, data collection and the diagnostic assessment described in previous tasks, the project team will, at this juncture, be able to evaluate the efficiency of performance of current tasks and determine which of these should continue to be performed by internal staff, and those that should either be outsourced or discontinued.

TASK RESULT

The deliverable of this task would be improvement opportunities and proposed adjustments in staffing, work practices, service levels, outsourcing / insourcing services, customer service, and operations.

Evaluate How the Departments Are Organized.

In this task, the project team will evaluate the plan of organization for the Village operation by using a number of principles in the evaluation of organizational structure, including:

- Does the current approach to organizing services in the Village foster accountability?
- Are spans of control for functions in the component divisions too broad or too limited?
- Are the plans of management organization for services in the Departments providing adequate communication and coordination where needed? Does the current structure enhance shared knowledge and understanding?
- Do the plans of organization enhance career development opportunities, training, and recruitment and retention?
- Have the Departments anticipated the impact of retirements on the continuity of management and supervision?
- Do the plans of organization enable staff to provide better service to the public in terms of cycle times, user friendliness, performance management, quality control, and consistency?

This assessment will evaluate options to reorganize in a manner to address anticipated retirements that will occur due to the ERI program and the unique opportunities this provides to implement a new organizational structure at a time of significant staff turnover and change. The end result of this analysis will be a proposed organizational structure for the provision of services and specific staffing levels to meet service demands.

TASK RESULT

The product of this task would be an organizational structure that promotes accountability, communication and efficient work flow in Village Operations.

Task 6 | Prepare a Draft and Final Report and Provide Plans for Implementing Improvement Opportunities in the Organization and Operations of the Village of Orland Park.

Once the work tasks noted above have been completed, our analysis, findings, and conclusions will be documented in a final report. The draft and final reports will contain the following elements:

- A final version of the descriptive information regarding Village operations.
- A final version of the 'best management practices' assessment.
- Detailed analysis of each identified improvement opportunity relating to philosophies and commitments, staffing required given these commitments, managerial and operational practices for service delivery.
- Recommended staffing allocations, by number and position, for each division.
- The optimum organizational model for the Departments that maximizes communications, workloads and efficiency, and that minimizes duplication and addresses the future impacts of the proposed ERIs.
- Recommendations related to standardizing the insourcing and outsourcing decision
- An implementation plan for each improvement opportunity to ensure that there are accountability mechanisms in place to ensure that responsibility is allocated, timing is planned, and results are demonstrated.

The Matrix project team recognizes that some recommended improvements may have associated cost impacts, and these will be identified and prioritized. The Village has many competing demands for financial resources, and the identified improvement opportunities will be considered within the context of these restraints.

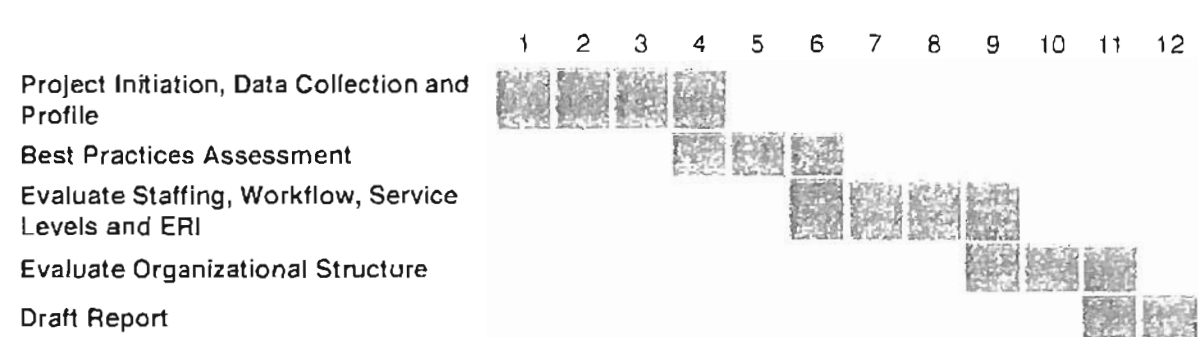
Once staff and the Project Steering Committee have reviewed the draft final report and implementation plan and provided input, we would develop the final report and deliver to the Village Project Team.

TASK RESULT

The product of this task would be the draft and final reports.

2. Project Schedule.

We have proposed a twelve (12) week project schedule from date of initiation to completion of the draft report. The proposed project schedule is outlined in the following chart:



We will work closely with the Village to initiate and conduct the engagement to complete in as timely a manner as possible.

4 Cost Statement

We are proposing a fixed-price not-to-exceed project budget of **\$59,500** to conduct the scope of services outlined in our proposal. The following table summarizes the expected cost by task.

Task	Cost Per Task
Project Initiation, Data Collection and Profile	\$ 16,000
Best Practices Assessment	\$ 13,880
Evaluate Staffing, Workflow, Service Levels and ERI	\$ 13,370
Evaluate Organizational Structure	\$ 6,910
Draft and Final Report	\$ 9,340
Total Project Cost	\$ 59,500

We bill monthly for actual time and expenses incurred up to the maximum project budget.

 ORLAND PARK
CERTIFICATE OF COMPLIANCE

The undersigned Richard Brady, as President
(Enter Name of Person Making Certification) (Enter Title of Person Making Certification)

and on behalf of Matrix Consulting Group, certifies that:
(Enter Name of Business Organization)

1) BUSINESS ORGANIZATION:

The Proposer is authorized to do business in Illinois: Yes [☒] No []

Federal Employer I.D.#: 05-0545979
(or Social Security # if a sole proprietor or individual)

The form of business organization of the Proposer is (check one):

- ☐ Sole Proprietor
☐ Independent Contractor (Individual)
☐ Partnership
☐ LLC (Also incorporated in Illinois as a foreign corporation)
☒ Corporation California 01/01/2003
(State of Incorporation) (Date of Incorporation)
(Also Incorporated in Illinois as a foreign corporation)

2) ELIGIBILITY TO ENTER INTO PUBLIC CONTRACTS: Yes [☒] No []

The Proposer is eligible to enter into public contracts, and is not barred from contracting with any unit of state or local government as a result of a violation of either Section 33E-3, or 33E-4 of the Illinois Criminal Code, or of any similar offense of "Bid-rigging" or "Bid-rotating" of any state or of the United States.

3) SEXUAL HARASSMENT POLICY: Yes [☒] No []

Please be advised that Public Act 87-1257, effective July 1, 1993, 775 ILCS 5/2-105 (A) has been amended to provide that every party to a public contract must have a written sexual harassment policy in place in full compliance with 775 ILCS 5/2-105 (A) (4) and includes, at a minimum, the following information: (I) the illegality of sexual harassment; (II) the definition of sexual harassment under State law; (III) a description of sexual harassment, utilizing examples; (IV) the vendor's internal complaint process including penalties; (V) the legal recourse, investigative and complaint process available through the Department of Human Rights (the "Department") and the Human Rights Commission (the "Commission"); (VI) directions on how to contact the Department and Commission; and (VII) protection against retaliation as provided by Section 6-101 of the Act (Illinois Human Rights Act) (emphasis added). Pursuant to 775 ILCS 5/1-103 (M) (2002), a "public contract" includes "...every contract to which the State, any of its political subdivisions or any municipal corporation is a party."

4) EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE: Yes ☒ No ☐

During the performance of this Project, Proposer agrees to comply with the "Illinois Human Rights Act", 775 ILCS Title 5 and the Rules and Regulations of the Illinois Department of Human Rights published at 44 Illinois Administrative Code Section 750, et seq. The

Proposer shall: (I) not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status, national origin or ancestry, age, or physical or mental handicap unrelated to ability, or an unfavorable discharge from military service; (II) examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization; (III) ensure all solicitations or advertisements for employees placed by it or on its behalf, it will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, marital status, national origin or ancestry, age, or physical or mental handicap unrelated to ability, or an unfavorable discharge from military service; (IV) send to each labor organization or representative of workers with which it has or is bound by a collective bargaining or other agreement or understanding, a notice advising such labor organization or representative of the Vendor's obligations under the Illinois Human Rights Act and Department's Rules and Regulations for Public Contract; (V) submit reports as required by the Department's Rules and Regulations for Public Contracts, furnish all relevant information as may from time to time be requested by the Department or the contracting agency, and in all respects comply with the Illinois Human Rights Act and Department's Rules and Regulations for Public Contracts; (VI) permit access to all relevant books, records, accounts and work sites by personnel of the contracting agency and Department for purposes of investigation to ascertain compliance with the Illinois Human Rights Act and Department's Rules and Regulations for Public Contracts; and (VII) include verbatim or by reference the provisions of this Equal Employment Opportunity Clause in every subcontract it awards under which any portion of this Agreement obligations are undertaken or assumed, so that such provisions will be binding upon such subcontractor. In the same manner as the other provisions of this Agreement, the Proposer will be liable for compliance with applicable provisions of this clause by such subcontractors; and further it will promptly notify the contracting agency and the Department in the event any subcontractor fails or refuses to comply therewith. In addition, the Proposer will not utilize any subcontractor declared by the Illinois Human Rights Department to be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations. "Subcontract" means any agreement, arrangement or understanding, written or otherwise, between the Proposer and any person under which any portion of the Proposer's obligations under one or more public contracts is performed, undertaken or assumed; the term "subcontract", however, shall not include any agreement, arrangement or understanding in which the parties stand in the relationship of an employer and an employee, or between a Proposer or other organization and its customers. In the event of the Proposer's noncompliance with any provision of this Equal Employment Opportunity Clause, the Illinois Human Right Act, or the Rules and Regulations for Public Contracts of the Department of Human Rights the Proposer may be declared non-responsible and therefore ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations, and this agreement may be canceled or avoided in whole or in part, and such other sanctions or penalties may be imposed or remedies involved as provided by statute or regulation.

5) TAX CERTIFICATION: Yes ☒ No ☐

Proposer is current in the payment of any tax administered by the Illinois Department of Revenue, or if it is: (a) it is contesting its liability for the tax or the amount of tax in accordance with procedures established by the appropriate Revenue Act; or (b) it has entered into an agreement with the Department of Revenue for payment of all taxes due and is currently in compliance with that agreement.

6) AUTHORIZATION & SIGNATURE:

I certify that I am authorized to execute this Certificate of Compliance on behalf of the Contractor set forth on the proposal, that I have personal knowledge of all the information set forth herein and that all statements, representations, that the proposal is genuine and not collusive, and information provided in or with this Certificate are true and accurate. The undersigned, having become familiar with the Project specified, proposes to provide and furnish all of the labor, materials, necessary tools, expendable equipment and all utility and transportation services necessary to perform and complete in a workmanlike manner all of the work required for the Project.

ACKNOWLEDGED AND AGREED TO:



Signature of Authorized Officer

Richard Brady

Name of Authorized Officer

President

Title

08-09-2018

Date

 ORLAND PARK
INSURANCE REQUIREMENTS

WORKERS COMPENSATION & EMPLOYER LIABILITY

\$500,000 – Each Accident \$500,000 – Policy Limit
\$500,000 – Each Employee

Waiver of Subrogation in favor of the Village of Orland Park

Matrix *1,000,000



AUTOMOBILE LIABILITY

\$1,000,000 – Combined Single Limit

Additional Insured Endorsement in favor of the Village of Orland Park

Matrix *2,000,000



GENERAL LIABILITY (Occurrence basis)

\$1,000,000 – Each Occurrence \$2,000,000 – General Aggregate Limit

\$1,000,000 – Personal & Advertising Injury

\$2,000,000 – Products/Completed Operations Aggregate

Additional Insured Endorsement & Waiver of Subrogation in favor of the Village of Orland Park

Matrix *2,000,000 per
*4,000,000 agg.



EXCESS LIABILITY (Umbrella-Follow Form Policy)

\$2,000,000 – Each Occurrence \$2,000,000 – Aggregate

EXCESS MUST COVER: General Liability, Automobile Liability, Workers Compensation

Matrix *1,000,000



PROFESSIONAL LIABILITY

\$1,000,000 Limit -Claims Made Form, Indicate Retroactive Date & Deductible

Matrix *1,000,000 per
*3,000,000 agg.



Any insurance policies providing the coverages required of the Consultant, excluding Professional Liability, shall be specifically endorsed to identify "The Village of Orland Park, and their respective officers, trustees, directors, employees and agents as Additional Insureds on a primary/non-contributory basis with respect to all claims arising out of operations by or on behalf of the named insured." If the named insureds have other applicable insurance coverage, that coverage shall be deemed to be on an excess or contingent basis. The policies shall also contain a Waiver of Subrogation in favor of the Additional Insureds in regards to General Liability and Workers Compensation coverage's. The certificate of insurance shall also state this information on its face. Any insurance company providing coverage must hold an A VII rating according to Best's Key Rating Guide. Permitting the consultant to proceed with any work prior to our receipt of the foregoing certificate and endorsement however, shall not be a waiver of the consultant's obligation to provide all of the above insurance.

The Consultant agrees that within ten days after the date of notice of the award of the contract and prior to the commencement of any work, you will furnish evidence of Insurance coverage providing for at minimum the coverages and limits described above directly to the Village of Orland Park, Denise Domalewski, Purchasing & Contract Administrator, 14700 S. Ravinia Avenue, Orland Park, IL 60462. Failure to provide this evidence in the time frame specified and prior to beginning of work may result in the termination of this relationship.

ACCEPTED & AGREED THIS 9 DAY OF August, 2018

Signature

Richard Brady
Printed Name & Title

Authorized to execute agreements for:

Matrix Consulting Group
Name of Company



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
8/15/2018

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 855-491-0974 USI Insurance Services National, Inc 8331 Norman Center Dr, Ste 500 Bloomington, MN. 55437	CONTACT NAME: Samuel Vazquez PHONE (A/C, No, Ext): 602-666-4833 FAX (A/C, No) 610-537-2283 E-MAIL ADDRESS: Samuel.Vazquez@usi.com
INSURED Matrix Consulting Group, Ltd 201 San Antonio Cir Suite 148 Mountain View, CA 94040-1254	INSURER(S) AFFORDING COVERAGE NAIC # INSURER A: Sentinel Insurance Co Ltd 11000 INSURER B: Sentinel Insurance Company Ltd 11000 INSURER C: Twin City Fire Insurance Company 29459 INSURER D: Philadelphia Insurance Company 23850 INSURER E: INSURER F:

COVERAGES

CERTIFICATE NUMBER: 13359332

REVISION NUMBER: See below

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	ADOL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR		59SBARO0849	8/8/2018	8/8/2019	EACH OCCURRENCE \$ 2 000 000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1 000 000 MED EXP (Any one person) \$ 10 000 PERSONAL & ADV INJURY \$ 2 000 000 GENERAL AGGREGATE \$ 4 000 000 PRODUCTS - COMP OP AGG \$ 4 000 000 OTHER \$
A	☐ AUTOMOBILE LIABILITY ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY		59SBARO0849	8/8/2018	8/8/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 2 000 000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ OTHER \$
B	☐ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE		59SBARO0849	8/8/2018	8/8/2019	EACH OCCURRENCE \$ \$1 000 000 AGGREGATE \$ \$1 000 000 OTHER \$
C	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 ☐ N/A	59SBARO0849	8/8/2018	8/8/2019	☒ PER STATUTE ☐ OTHER E L EACH ACCIDENT \$ 1 000 000 E L DISEASE - EA EMPLOYEE \$ 1 000 000 E L DISEASE - POLICY LIMIT \$ 1 000 000
C	Prof Liability		59PG0297372	08/08/2018	08/08/2019	\$1 000 000/\$3 000 000

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

SS0008-0405 The Village of Orland Park, and their respective officers, trustees, directors, employees and agents are named as additional insured as it relates to general & auto liability & waiver of subrogation is granted as it relates to general and auto liability and workers comp in accordance with the terms and conditions of the policies. Umbrella follows form as it relates to additional insureds. The above coverage is primary and noncontributory where required by written contract.

CERTIFICATE HOLDER

CANCELLATION

The Village of Orland Park
14700 S Ravinia Avenue
Orland Park, IL 60462

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

AUTHORIZED REPRESENTATIVE

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Certificate of Insurance (Con't)**OTHER Coverage**

INSR LTR	TYPE OF INSURANCE	ADDL INSR	WVD SUBR	POLICY NUMBER	EFFECTIVE DATE (MM/DD/YY)	EXPIRATION DATE (MM/DD/YY)	LIMIT
D	Employment Practices			PHSD1363101	7/15/2018	7/15/2019	\$1 000 000/\$1 000 000

BUSINESS LIABILITY COVERAGE FORM

**QUICK REFERENCE
BUSINESS LIABILITY COVERAGE FORM
READ YOUR POLICY CAREFULLY**

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BUSINESS LIABILITY COVERAGE FORM

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the stock insurance company member of The Hartford providing this insurance.

The word "insured" means any person or organization qualifying as such under Section C - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section G - Liability And Medical Expenses Definitions.

A. COVERAGES

1. BUSINESS LIABILITY COVERAGE (BODILY INJURY, PROPERTY DAMAGE, PERSONAL AND ADVERTISING INJURY)

Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury", "property damage" or "personal and advertising injury" to which this insurance does not apply.

We may, at our discretion, investigate any "occurrence" or offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section D. - Liability And Medical Expenses Limits Of Insurance and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses to which this insurance applies.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Coverage Extension - Supplementary Payments.

b. This insurance applies:

- (1) To "bodily injury" and "property damage" only if:

(a) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory".

(b) The "bodily injury" or "property damage" occurs during the policy period and

(c) Prior to the policy period, no insured listed under Paragraph 1. of Section C. - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

(2) To "personal and advertising injury" caused by an offense arising out of your business, but only if the offense was committed in the "coverage territory" during the policy period.

c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section C. - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim.

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer.

BUSINESS LIABILITY COVERAGE FORM

- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage", or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur
- d. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury"
- e. **Incidental Medical Malpractice**

- (1) "Bodily injury" arising out of the rendering of or failure to render professional health care services as a physician dentist nurse emergency medical technician or paramedic shall be deemed to be caused by an "occurrence" but only if
 - (a) The physician dentist nurse emergency medical technician or paramedic is employed by you to provide such services and
 - (b) You are not engaged in the business or occupation of providing such services
- (2) For the purpose of determining the limits of insurance for incidental medical malpractice, any act or omission together with all related acts or omissions in the furnishing of these services to any one person will be considered one "occurrence"

2. MEDICAL EXPENSES

Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident
- (1) On premises you own or rent
 - (2) On ways next to premises you own or rent, or
 - (3) Because of your operations
- provided that
- (1) The accident takes place in the "coverage territory" and during the policy period,
 - (2) The expenses are incurred and reported to us within three years of the date of the accident and
 - (3) The injured person submits to examination, at our expense by physicians of our choice as often as we reasonably require

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for

- (1) First aid administered at the time of an accident
- (2) Necessary medical surgical, x-ray and dental services, including prosthetic devices, and
- (3) Necessary ambulance hospital professional nursing and funeral services

3. COVERAGE EXTENSION - SUPPLEMENTARY PAYMENTS

- a. We will pay with respect to any claim or "suit" we investigate or settle, or any "suit" against an insured we defend
- (1) All expenses we incur
 - (2) Up to \$1 000 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for "bodily injury" applies. We do not have to furnish these bonds
 - (3) The cost of appeal bonds or bonds to release attachments but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds
 - (4) 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 \$500 a day because of time off from work
 - (5) All costs taxed against the insured in the "suit"
 - (6) Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer
 - (7) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance

Any amounts paid under (1) through (7) above will not reduce the limits of insurance

- b. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit" we will defend that indemnitee if all of the following conditions are met
- (1) The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract"
 - (2) This insurance applies to such liability assumed by the insured
 - (3) The obligation to defend, or the cost of the defense of, that indemnitee has also been assumed by the insured in the same "insured contract"
 - (4) The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interest of the indemnitee
 - (5) The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee and
 - (6) The indemnitee
 - (a) Agrees in writing to
 - (i) Cooperate with us in the investigation, settlement or defense of the "suit"
 - (ii) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit"
 - (iii) Notify any other insurer whose coverage is available to the indemnitee, and
 - (iv) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (b) Provides us with written authorization to
 - (i) Obtain records and other information related to the "suit", and
 - (ii) Conduct and control the defense of the indemnitee in such "suit"

So long as the above conditions are met attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments

Notwithstanding the provisions of Paragraph 1.b.(b) of Section B. — Exclusions such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the Limits of Insurance

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- (1) We have used up the applicable limit of insurance in the payment of judgments or settlements or
- (2) The conditions set forth above, or the terms of the agreement described in Paragraph (6) above are no longer met

B. EXCLUSIONS

1 Applicable To Business Liability Coverage

This insurance does not apply to

a. Expected Or Intended Injury

- (1) "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 or
- (2) "Personal and advertising injury" arising out of an offense committed by, at the direction of or with the consent or acquiescence of the insured with the expectation of inflicting "personal and advertising injury"

b. Contractual Liability

- (1) "Bodily injury" or "property damage", or
- (2) "Personal and advertising injury"

for which the insured 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 because of

- (a) "Bodily injury", "property damage" or "personal and advertising injury" that the insured would have in the absence of the contract or agreement or

BUSINESS LIABILITY COVERAGE FORM

(b) "Bodily injury" or "property damage" assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purpose of liability assumed in an "insured contract" reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage" provided

(i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract" and

(ii) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged

c. Liquor Liability

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

- (1) Causing or contributing to the intoxication of any person.
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages

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

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law

e. Employer's Liability

"Bodily injury" to

- (1) An "employee" of the insured arising out of and in the course of
 - (a) Employment by the insured or

(b) Performing duties related to the conduct of the insured's business, or

- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of (1) above

This exclusion applies

- (1) Whether the insured may be liable as an employer or in any other capacity and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury

This exclusion does not apply to liability assumed by the insured under an "insured contract"

f. Pollution

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

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

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building or equipment that is used to heat water for personal use, by the building's occupants or their guests

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

- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for
 - (i) Any insured or
 - (ii) Any person or organization for whom you may be legally responsible
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured contractor or subcontractor. However, this subparagraph does not apply to
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or

released as part of the operations being performed by such insured, contractor or subcontractor;

- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
 - (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"
- (2) Any loss, cost or expense arising out of any
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to, or assess the effects of, "pollutants", or
 - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing or in any way responding to, or assessing the effects of, "pollutants"
- However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

BUSINESS LIABILITY COVERAGE FORM

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading."

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is
 - (a) Less than 51 feet long, and
 - (b) Not being used to carry persons for a charge.
- (3) Parking an "auto" on or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured.
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft.
- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment", or
- (6) An aircraft that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured or

- (2) The use of "mobile equipment" in, or while in practice or preparation for, a prearranged racing, speed or demolition contest or in any stunting activity.

i. War

"Bodily injury", "property damage" or "personal and advertising injury", however caused, arising directly or indirectly out of

- (1) War, including undeclared or civil war,
- (2) Warlike action by a military force including action in hindering or defending against an actual or expected attack by any government, sovereign or other authority using military personnel or other agents, or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

j. Professional Services

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional service. This includes but is not limited to

- (1) Legal, accounting or advertising services,
- (2) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications,
- (3) Supervisory inspection architectural or engineering activities,
- (4) Medical, surgical, dental, x-ray or nursing services, treatment, advice or instruction,
- (5) Any health or therapeutic service, treatment, advice or instruction,
- (6) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming,
- (7) Optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices.

- (8) Optometry or optometric services including but not limited to examination of the eyes and the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products.
- (9) Any:
 - (a) Body piercing (not including ear piercing).
 - (b) Tattooing including but not limited to the insertion of pigments into or under the skin, and
 - (c) Similar services
- (10) Services in the practice of pharmacy and
- (11) Computer consulting, design or programming services, including web site design

Paragraphs (4) and (5) of this exclusion do not apply to the Incidentai Medical Malpractice coverage afforded under Paragraph 1.e. in Section A. - Coverages

k. Damage To Property

"Property damage" to

- (1) Property you own, rent or occupy including any costs or expenses incurred by you or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property.
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises.
- (3) Property loaned to you
- (4) Personal property in the care, custody or control of the insured
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations if the "property damage" arises out of those operations or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate Limit of Insurance applies to Damage To Premises Rented To You as described in Section D. - Limits Of Insurance

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

Paragraphs (3) and (4) of this exclusion do not apply to the use of elevators

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

Paragraphs (3) and (4) of this exclusion do not apply to "property damage" to borrowed equipment while not being used to perform operations at a job site

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

l. Damage To Your Product

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

m. Damage To Your Work

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

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

n. Damage To Impaired Property Or Property Not Physically Injured

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

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

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

BUSINESS LIABILITY COVERAGE FORM

o. Recall Of Products, Work Or Impaired Property

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

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

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

p. Personal And Advertising Injury

"Personal and advertising injury"

- (1) Arising out of oral, written or electronic publication of material, if done by or at the direction of the insured with knowledge of its falsity
- (2) Arising out of oral, written or electronic publication of material whose first publication took place before the beginning of the policy period
- (3) Arising out of a criminal act committed by or at the direction of the insured
- (4) Arising out of any breach of contract, except an implied contract to use another's "advertising idea" in your "advertisement".
- (5) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".
- (6) Arising out of the wrong description of the price of goods, products or services.
- (7) Arising out of any violation of any intellectual property rights such as copyright, patent, trademark, trade name, trade secret, service mark or other designation of origin or authenticity

However, this exclusion does not apply to infringement, in your "advertisement", of

- (a) Copyright,
- (b) Slogan, unless the slogan is also a trademark, trade name, service mark or other designation of origin or authenticity or

(c) Title of any literary or artistic work,

- (8) Arising out of an offense committed by an insured whose business is

- (a) Advertising, broadcasting, publishing or telecasting,
- (b) Designing or determining content of web sites for others, or
- (c) An Internet search, access content or service provider

However, this exclusion does not apply to Paragraphs a, b, and c, under the definition of "personal and advertising injury" in Section G. - Liability And Medical Expenses Definitions.

For the purposes of this exclusion, placing an "advertisement" for or linking to others on your web site by itself is not considered the business of advertising, broadcasting, publishing or telecasting

- (9) Arising out of an electronic chat room or bulletin board the insured hosts, owns, or over which the insured exercises control,
- (10) Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags or any other similar tactics to mislead another's potential customers

- (11) Arising out of the violation of a person's right of privacy created by any state or federal act

However, this exclusion does not apply to liability for damages that the insured would have in the absence of such state or federal act,

- (12) Arising out of

- (a) An "advertisement" for others on your web site,
- (b) Placing a link to a web site of others on your web site,
- (c) Content from a web site of others displayed within a frame or border on your web site. Content includes information code, sounds, text, graphics or images, or
- (d) Computer code, software or programming used to enable
 - (i) Your web site; or
 - (ii) The presentation or functionality of an "advertisement" or other content on your web site,

- (13) Arising out of a violation of any anti-trust law
- (14) Arising out of the fluctuation in price or value of any stocks, bonds or other securities, or
- (15) Arising out of discrimination or humiliation committed by or at the direction of any "executive officer", director, stockholder, partner or member of the insured

q. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access or inability to manipulate "electronic data"

r. Employment-Related Practices

"Bodily injury" or "personal and advertising injury" to

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

This exclusion applies

- (1) Whether the insured may be liable as an employer or in any other capacity and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury

s. Asbestos

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the "asbestos hazard"
- (2) Any damages, judgments, settlements, loss, costs or expenses that

(a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard"

(b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard" or

(c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard"

t. Violation Of Statutes That Govern E-Mails, Fax, Phone Calls Or Other Methods Of Sending Material Or Information

"Bodily injury", "property damage", or "personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law
- (2) The CAN-SPAM Act of 2003 including any amendment of or addition to such law, or
- (3) Any statute, ordinance or regulation other than the TCPA or CAN-SPAM Act of 2003 that prohibits or limits the sending, transmitting, communicating or distribution of material or information

Damage To Premises Rented To You - Exception For Damage By Fire, Lightning Or Explosion

Exclusions c. through h. and k. through o. do not apply to damage by fire, lightning or explosion to premises 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 D. - Liability And Medical Expenses Limits Of Insurance

BUSINESS LIABILITY COVERAGE FORM

2. Applicable To Medical Expenses Coverage

We will not pay expenses for "bodily injury"

- a. **Any Insured**
To any insured, except "volunteer workers"
- b. **Hired Person**
To a person hired to do work for or on behalf of any insured or a tenant of any insured
- c. **Injury On Normally Occupied Premises**
To a person injured on that part of premises you own or rent that the person normally occupies
- d. **Workers' Compensation And Similar Laws**
To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law
- e. **Athletics Activities**
To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests
- f. **Products-Completed Operations Hazard**
Included with the "products completed operations hazard"
- g. **Business Liability Exclusions**
Excluded under Business Liability Coverage

C. WHO IS AN INSURED

- 1. If you are designated in the Declarations as
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner
 - b. A partnership or joint venture, you are an insured. Your members, your partners and their spouses are also insureds, but only with respect to the conduct of your business
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers
 - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders

- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured.

a. Employees And Volunteer Workers

Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" or "volunteer workers" are insureds for

- (1) "Bodily injury" or "personal and advertising injury"

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company) or to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business,

- (b) To the spouse, child, parent, brother or sister of that co-"employee" or that "volunteer worker" as a consequence of Paragraph (1)(a) above,

- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or

- (d) Arising out of his or her providing or failing to provide professional health care services

If you are not in the business of providing professional health care services, Paragraph (d) does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such services.

- (2) "Property damage" to property

- (a) Owned, occupied or used by

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees" "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company);

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker") or any organization while acting as your real estate manager

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only

- (1) With respect to liability arising out of the maintenance or use of that property and
- (2) Until your legal representative has been appointed

d. Legal Representative If You Die

Your legal representative if you die but only with respect to duties as such. That representative will have all your rights and duties under this insurance

e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However

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

- b. Coverage under this provision does not apply to:

- (1) "Bodily injury" or "property damage" that occurred or
- (2) "Personal and advertising injury" arising out of an offense committed before you acquired or formed the organization

4. Operator Of Mobile Equipment

With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to

- a. "Bodily injury" to a co-"employee" of the person driving the equipment, or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Operator of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability

However, no person or organization is an insured with respect to

- a. "Bodily injury" to a co-"employee" of the person operating the watercraft, or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision

6. Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs a. through f. below are additional insureds when you have agreed, in a written

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contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by an endorsement issued by us and made a part of this Coverage Part, including all persons or organizations added as additional insureds under the specific additional insured coverage grants in Section F. - Optional Additional Insured Coverages.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor) but 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 and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- (1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance 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 Subparagraphs (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 such products.

b. Lessors Of Equipment

- (1) Any person or organization from whom you lease equipment, but only with respect to their 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.

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- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment
- c. Lessors Of Land Or Premises**
- (1) Any person or organization from whom you lease land or premises but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to
- (a) Any "occurrence" which takes place after you cease to lease that land or be a tenant in that premises or
- (b) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization
- d. Architects, Engineers Or Surveyors**
- (1) Any architect, engineer, or surveyor but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf
- (a) In connection with your premises or
- (b) In the performance of your ongoing operations performed by you or on your behalf
- (2) With respect to the insurance afforded to these additional insureds the following additional exclusion applies
- This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including
- (a) The preparing, approving or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications or
- (b) Supervisory inspection, architectural or engineering activities
- e. Permits Issued By State Or Political Subdivisions**
- (1) Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit
- (2) With respect to the insurance afforded to these additional insureds, 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"
- f. Any Other Party**
- (1) Any other person or organization who is not an insured under Paragraphs a. through e. above but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf
- (a) In the performance of your ongoing operations,
- (b) In connection with your premises owned by or rented to you, or
- (c) In connection with "your work" and included within the "products-completed operations hazard", but only if
- (i) The written contract or written agreement requires you to provide such coverage to such additional insured; and
- (ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard"
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
- "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render any professional architectural, engineering or surveying services, including

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- (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications, or

- (b) Supervisory, inspection, architectural or engineering activities

The limits of insurance that apply to additional insureds are described in Section D. – Limits Of Insurance

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section E. – Liability And Medical Expenses General Conditions

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

D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of

- Insureds,
- Claims made or "suits" brought, or
- Persons or organizations making claims or bringing "suits"

2. Aggregate Limits

The most we will pay for

- Damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" is the Products-Completed Operations Aggregate Limit shown in the Declarations
- Damages because of all other "bodily injury", "property damage" or "personal and advertising injury", including medical expenses, is the General Aggregate Limit shown in the Declarations

This General Aggregate Limit applies separately to each of your "locations" owned by or rented to you

"Location" means premises involving the same or connecting lots or premises whose connection is interrupted only by a street, roadway or right-of-way of a railroad

This General Aggregate limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of fire, lightning or explosion

3. Each Occurrence Limit

Subject to 2.a. or 2.b. above, whichever applies, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and medical expenses arising out of any one "occurrence" is the Liability and Medical Expenses Limit shown in the Declarations

The most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses Limit shown in the Declarations

4. Personal And Advertising Injury Limit

Subject to 2.b. above, the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization is the Personal and Advertising Injury Limit shown in the Declarations

5. Damage To Premises Rented To You Limit

The Damage To Premises Rented To You Limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to any one premises while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these

6. How Limits Apply To Additional Insureds

The most we will pay on behalf of a person or organization who is an additional insured under this Coverage Part is the lesser of

- The limits of insurance specified in a written contract, written agreement or permit issued by a state or political subdivision, or
- The Limits of Insurance shown in the Declarations

Such amount shall be a part of and not in addition to the Limits of Insurance shown in the Declarations and described in this Section

If more than one limit of insurance under this policy and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this policy and the endorsements is the single highest limit of liability of all coverages applicable to such claim or "suit". However, this paragraph does not apply to the Medical Expenses limit set forth in Paragraph 3, above.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place
- (2) The names and addresses of any injured persons and witnesses, and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured must:

- (1) Immediately record the specifics of the claim or "suit" and the date received and
- (2) Notify us as soon as practicable

You or any additional insured must see to it that we receive a written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit"
- (2) Authorize us to obtain records and other information
- (3) Cooperate with us in the investigation, settlement of the claim or defense against the "suit", and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply

d. Obligations At The Insured's Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation or incur any expense, other than for first aid, without our consent.

e. Additional Insured's Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs a. and b. apply to you or to any additional insured only when such "occurrence", offense claim or "suit" is known to:

- (1) You or any additional insured that is an individual,
- (2) Any partner, if you or an additional insured is a partnership
- (3) Any manager, if you or an additional insured is a limited liability company
- (4) Any "executive officer" or insurance manager, if you or an additional insured is a corporation
- (5) Any trustee, if you or an additional insured is a trust, or
- (6) Any elected or appointed official, if you or an additional insured is a political subdivision or public entity

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This Paragraph f. applies separately to you and any additional insured.

3. Financial Responsibility Laws

- a. When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law the insurance provided by the policy for "bodily injury" liability and "property damage" liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law
- b. With respect to "mobile equipment" to which this insurance applies we will provide any liability uninsured motorists underinsured motorists, no-fault or other coverage required by any motor vehicle law. We will provide the required limits for those coverages

4. Legal Action Against Us

No person or organization has a right under this Coverage Form

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

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured, but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative

5. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this policy to the first Named Insured, this insurance applies

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

6. Representations

a. When You Accept This Policy

By accepting this policy, you agree

- (1) The statements in the Declarations are accurate and complete
- (2) Those statements are based upon representations you made to us, and

- (3) We have issued this policy in reliance upon your representations,

b. Unintentional Failure To Disclose Hazards

If unintentionally you should fail to disclose all hazards relating to the conduct of your business at the inception date of this Coverage Part, we shall not deny any coverage under this Coverage Part because of such failure

7. Other Insurance

If other valid and collectible insurance is available for a loss we cover under this Coverage Part, our obligations are limited as follows

a. Primary Insurance

This insurance is primary except when b. below applies. If other insurance is also primary we will share with all that other insurance by the method described in c. below

b. Excess Insurance

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

(1) Your Work

That is Fire Extended Coverage Builder's Risk, Installation Risk or similar coverage for "your work".

(2) Premises Rented To You

That is fire lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner,

(3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner,

(4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section A. - Coverages

(5) Property Damage To Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion k. of Section A. - Coverages

(6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations or products and completed operations, for which you have been added as an additional insured by that insurance or

(7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured

However the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part.

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary we will share with all that other insurance by the method described in c. below

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance

Paragraphs (a) and (b) do not apply to other insurance to which the additional insured has been added as an additional insured

When this insurance is excess we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends we will undertake to do so but we will be entitled to the insured's rights against all those other insurers

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

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

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part

c. Method Of Sharing

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

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

8. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment including Supplementary Payments 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. This condition does not apply to Medical Expenses Coverage

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments we have made under this Coverage Part we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage

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F. OPTIONAL ADDITIONAL INSURED COVERAGES

If listed or shown as applicable in the Declarations, one or more of the following Optional Additional Insured Coverages also apply. When any of these Optional Additional Insured Coverages apply Paragraph 6. (Additional Insureds When Required by Written Contract, Written Agreement or Permit) of Section C., Who Is An Insured does not apply to the person or organization shown in the Declarations. These coverages are subject to the terms and conditions applicable to Business Liability Coverage in this policy except as provided below.

1. Additional Insured - Designated Person Or Organization

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf.

- a. In the performance of your ongoing operations or
- b. In connection with your premises owned by or rented to you.

2. Additional Insured - Managers Or Lessors Of Premises

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Designated Person Or Organization, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Declarations.

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

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 such person or organization.

3. Additional Insured - Grantor Of Franchise

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Grantor Of Franchise but only with respect to their liability as grantor of franchise to you.

4. Additional Insured - Lessor Of Leased Equipment

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Lessor of Leased Equipment, but 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(s) or organization(s).

b. With respect to the insurance afforded to these additional insureds this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

5. Additional Insured - Owners Or Other Interests From Whom Land Has Been Leased

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Owners Or Other Interests From Whom Land Has Been Leased, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land leased to you and shown in the Declarations.

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

This insurance does not apply to:

- (1) Any "occurrence" that takes place after you cease to lease that land, or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

6. Additional Insured - State Or Political Subdivision - Permits

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the state or political subdivision shown in the Declarations as an Additional

Insured – State Or Political Subdivision - Permits but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

- b. With respect to the insurance afforded to these additional insureds the following additional exclusions apply

This insurance does not apply to

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality or
- (2) "Bodily injury" or "property damage" included in the "product-completed operations" hazard

7. Additional Insured – Vendors

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) (referred to below as vendor) shown in the Declarations as an Additional Insured - Vendor but 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 and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard"

- b. The insurance afforded to the vendor is subject to the following additional exclusions

- (1) This insurance 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 unless 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 Subparagraphs (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 such products

8. Additional Insured – Controlling Interest

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Controlling Interest, but only with respect to their liability arising out of

- a. Their financial control of you or
- b. Premises they own, maintain or control while you lease or occupy these premises

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

9. Additional Insured – Owners, Lessees Or Contractors – Scheduled Person Or Organization

a. WHO IS AN INSURED under Section C, is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Owner, Lessees Or Contractors, but only with respect to liability for "bodily injury" "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf

(1) In the performance of your ongoing operations for the additional insured(s) or

(2) In connection with "your work" performed for that additional insured and included within the "products-completed operations hazard", but only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to "bodily injury" "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render any professional architectural, engineering or surveying services including

(1) The preparing approving or failure to prepare or approve, maps shop drawings opinions reports surveys field orders change orders designs or drawings and specifications or

(2) Supervisory inspection architectural or engineering activities

10. Additional Insured – Co-Owner Of Insured Premises

WHO IS AN INSURED under Section C, is amended to include as an additional insured the person(s) or Organization(s) shown in the Declarations as an Additional Insured – Co-Owner Of Insured Premises but only with respect to their liability as co-owner of the premises shown in the Declarations

The limits of insurance that apply to additional insureds are described in Section D. – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section E. – Liability And Medical Expenses General Conditions

G. LIABILITY AND MEDICAL EXPENSES DEFINITIONS

1. "Advertisement" means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods products or services through

- a. (1) Radio
- (2) Television,
- (3) Billboard
- (4) Magazine
- (5) Newspaper,

b. The Internet but only that part of a web site that is about goods products or services for the purposes of inducing the sale of goods, products or services or

c. Any other publication that is given widespread public distribution

However, "advertisement" does not include

a. The design, printed material information or images contained in, on or upon the packaging or labeling of any goods or products or

b. An interactive conversation between or among persons through a computer network

2. "Advertising idea" means any idea for an "advertisement"

3. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form

4. "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads including any attached machinery or equipment But "auto" does not include "mobile equipment"

5. "Bodily injury" means physical

- a. Injury
- b. Sickness, or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time

6. "Coverage territory" means

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- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above;
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in a. above;
 - (2) The activities of a person whose home is in the territory described in a. above but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication
- provided the insured's responsibility to pay damages is determined in the United States of America (including its territories and possessions) Puerto Rico or Canada in a "suit" on the merits according to the substantive law in such territory or in a settlement we agree to
- 7. "Electronic data" means information, facts or programs:
 - a. Stored as or on;
 - b. Created or used on; or
 - c. Transmitted to or fromcomputer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment
 - 8. "Employee" includes a "leased worker." "Employee" does not include a "temporary worker."
 - 9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document
 - 10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be
 - 11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous, or

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

if such property can be restored to use by

- a. The repair, replacement, adjustment or removal of "your product" or "your work" or
- b. Your fulfilling the terms of the contract or agreement

12. "Insured contract" means

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is subject to the Damage To Premises Rented To You limit described in Section D. - Liability and Medical Expenses Limits of Insurance
- b. A sidetrack agreement
- c. Any easement or license agreement including an easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad
- d. Any obligation as required by ordinance to indemnify a municipality except in connection with work for a municipality.
- e. An elevator maintenance agreement, or
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement

Paragraph f. includes that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing

However, Paragraph f. does not include that part of any contract or agreement.

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- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of
 - (a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications or
 - (b) Giving directions or instructions or failing to give them, if that is the primary cause of the injury or damage or
 - (2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services including those listed in (1) above and supervisory, inspection, architectural or engineering activities
13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker"
14. "Loading or unloading" means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - b. While it is in or on an aircraft, watercraft or "auto" or
 - c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered
- but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck that is not attached to the aircraft, watercraft or "auto"
15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads,
 - b. Vehicles maintained for use solely on or next to premises you own or rent,
 - c. Vehicles that travel on crawler treads,
 - d. Vehicles, whether self-propelled or not, on which are permanently mounted
- (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers,
- e. Vehicles not described in a., b., c., or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
- (1) Air compressors, pumps and generators, including spraying, welding, building, cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers,
- f. Vehicles not described in a., b., c., or d. above maintained primarily for purposes other than the transportation of persons or cargo
- However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos".
- (1) Equipment, of at least 1,000 pounds gross vehicle weight, designed primarily for:
 - (a) Snow removal,
 - (b) Road maintenance but not construction or resurfacing or
 - (c) Street cleaning,
 - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers, and
 - (3) Air compressors, pumps and generators, including spraying, welding, building, cleaning, geophysical exploration, lighting and well servicing equipment
16. "Occurrence" means an accident including continuous or repeated exposure to substantially the same general harmful conditions
17. "Personal and advertising injury" means injury including consequential "bodily injury", arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment,
 - b. Malicious prosecution,

- c. The wrongful eviction from wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that the person occupies, committed by or on behalf of its owner, landlord or lessor
 - d. Oral, written or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services.
 - e. Oral, written or electronic publication of material that violates a person's right of privacy
 - f. Copying in your "advertisement" a person's or organization's "advertising idea" or style of "advertisement".
 - g. Infringement of copyright, slogan, or title of any literary or artistic work in your "advertisement" or
 - h. Discrimination or humiliation that results in injury to the feelings or reputation of a natural person
18. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
19. "Products-completed operations hazard"
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession, or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed to be completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

The "bodily injury" or "property damage" must occur away from premises you own or rent, unless your business includes the selling, handling or distribution of "your product" for consumption on premises you own or rent.

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

20. "Property damage" means

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

As used in this definition, "electronic data" is not tangible property.

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

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

22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

23. "Volunteer worker" means a person who

- a. Is not your "employee";

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- b. Donates his or her work,
- c. Acts at the direction of and within the scope of duties determined by you and
- d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you

24. "Your product"

a. Means

- (1) Any goods or products, other than real property manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name, or
 - (c) A person or organization whose business or assets you have acquired, and
- (2) Containers (other than vehicles) materials, parts or equipment furnished in connection with such goods or products

b. Includes

- (1) Warranties or representations made at any time with respect to the fitness quality durability performance or use of "your product", and

- (2) The providing of or failure to provide warnings or instructions.

- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

25. "Your work"

a. Means

- (1) Work or operations performed by you or on your behalf, and
- (2) Materials parts or equipment furnished in connection with such work or operations

b. Includes

- (1) Warranties or representations made at any time with respect to the fitness quality durability performance or use of "your work", and
- (2) The providing of or failure to provide warnings or instructions