A.G. CONTRACT NO. 81-214

NO. 7159
FILED WITH SECRETARY OF STATE
Date Filed 6-10-81
Secretary of State

INTERGOVERNMENTAL MAINTENANCE AGREEMENT

BETWEEN

ECS FILE: JPA-81-08

THE STATE OF ARIZONA

AND

THE CITY OF HUACHUCA

THIS AGREEMENT, entered into pursuant to Arizona Revised Statutes, Section 11-951 through 11-954, as amended, by and between the STATE OF ARIZONA, acting by and through the ARIZONA DEPARTMENT OF TRANSPORTATION, hereinafter called "STATE", and the CITY OF HUACHUCA, a municipal corporation hereinafter called "CITY".

WHEREAS, the STATE is empowered by Arizona Revised Statutes Section 28-108 to enter into this Agreement and the Director of the Arizona Department of Transportation has delegated to the undersigned his authorization to execute this Agreement on behalf of the STATE;

WHEREAS, the CITY is empowered by Arizona Revised Statutes Section 9-672, to enter into this Agreement, and acting by and through its duly elected governing body, has by that certain resolution attached hereto and incorporated herein as Exhibit "A" resolved to enter into this Agreement and has authorized the undersigned as its representative to execute the same on behalf of said CITY.

Attached to this Agreement and incorporated herein by reference as Exhibit "B" is a copy of the written determination of the appropriate attorney that the CITY is authorized under the law of this STATE to enter into this Agreement and that it is in proper form.

WHEREAS, it is the mutual benefit of the STATE and the CITY to enter into an agreement covering the maintenance of that certain State Highway known as State Route 90, which is a State Highway of the STATE OF ARIZONA and which traverses the said CITY OF HUACHUCA over that certain street which forms the necessary and convenient link for the connection of sections of the aforesaid State Highway and for carrying of such State

Highway through said CITY, as more particularly set forth upon the map attached hereto and marked Exhibit "C", and by reference made a part hereof.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter to be kept by all parties, it is mutually agreed as follows:

1. *The CITY shall set aside sufficient funds to accomplish the maintenance responsibilities set forth in this agreement.*
2. *The STATE shall set aside sufficient funds to accomplish the maintenance and betterment responsibilities within the CITY as set forth by this agreement.*
3. *That the STATE, acting by and through its Department of Transportation shall, except as otherwise expressly provided in this agreement, have jurisdiction and control over and be responsible for the maintenance and any needed betterments of the highway as delineated upon the map attached hereto and marked Exhibit "C", said jurisdiction, control and responsibility to include:*
   a. *Betterment of reconstruction of roadway, curbs, sidewalks, medians and channelization.*
   b. *Bridges and drainage.*
   c. *Guardrails and fences.*
   d. *Transportation permits, such as overweight, overwidth, and overheight as prescribed by law.*
   e. *Routine maintenance of roadway, median and curb.*
   f. *Permits for highway right of way encroachments and use.*
   g. *Removal of snow, sand, rock and other debris caused by slides or other causes.*
   h. *Traffic control devices, including approved crosswalks, signs, striping and curb marking (except street name).*
4. *That the CITY shall, except as otherwise expressly provided in this agreement have jurisdiction and control over routine maintenance of:*
   a. *Sidewalks.*
   b. *Sprinkling.*
   c. *Electrical devices, including but not limited to traffic signals and intersection lighting, will be covered by separate agreement and will be governed by that agreement.*

d. Street name signs.

e. Routine sweeping and cleaning of roadway, curb and median.

f. Parking signs.

5. *That the CITY shall not allow snow, sand, rocks or other hazardous debris to be dozed or swept onto State Highways, except as might occur temporarily during normal maintenance of intersecting streets.*

6. *That the regulations as set forth on the "Authorized Position of Advertising Signs Along State Highway Right of Way" shall be adhered to as a minimum by the CITY. A copy of said regulations is attached hereto and marked Exhibit "D", and by reference made a part hereof.*

7. *That the CITY shall furnish adequate evidence of full liability and property damage insurance on all employees engaged in performing duties heretofore agreed to on the State Highway right of way. The CITY will maintain the insurance for the period of this agreement. A copy of the policy is attached hereto and marked Exhibit "E" and by reference made a part hereof.*

8. *That the CITY will provide traffic control in accordance with the Arizona Department of Transportation Traffic Control Manual for Highway Construction and Maintenance during all maintenance operations by the CITY on the State Highway right of way.*

9. *All work performed under the provisions of this agreement shall be performed in a manner satisfactory to the Department of Transportation.*

10. *It is understood that this Agreement will cancel and supersede any previous Agreements for street maintenance, and betterment on those State Highways which traverse within the boundaries of the CITY.*

11. *This Agreement shall be filed with the Secretary of State and shall become effective on the 1st day of April, 1981, but in no event prior to its being filed with the Secretary of State.*

12. It is understood that this Agreement may be amended, or supplemented, by mutual consent of the parties hereto at any time with all other conditions set forth remaining in effect.

13. This Agreement shall remain in force and effect until midnight, March 31, 1982, and shall thereafter be automatically renewed for successive periods of one (1) year, unless either party shall give notice in writing to the other not less than one (1) month nor more than three (3) months prior to the initial expiration date, or of any renewal date hereof, cancelling said Agreement. In event of such notification and upon expiration of the term during which notice is given, this Agreement shall thereupon become of no further force and effect.

14. It is understood that upon the termination of this Agreement for any cause whatsoever, all properties which are the subject matter of this Agreement are declared to be property of the Arizona Department of Transportation.

15. Any disposal of properties subject to this Agreement shall be in a manner as otherwise prescribed by law concerning the disposal of public property.

16. All parties are hereby put on notice that this Agreement is subject to cancellation by the Governor pursuant to Arizona Revised Statutes Section 38-511.

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

STATE OF ARIZONA
Arizona Department of Transportation

BY: _____
Chief Deputy State Engineer

CITY OF HUACHUCA

BY: _____

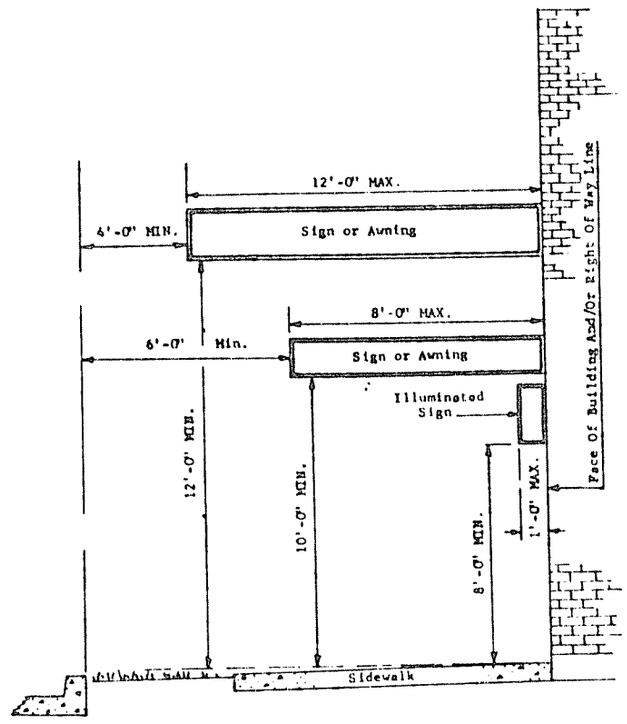
TITLE: Mayor

ATTEST:

_____
CITY CLERK

AUTHORIZED POSITION OF ADVERTISING SIGNS ALONG STATE HIGHWAY RIGHT OF WAY

EXHIBIT "D"



PERMIT NEEDED

GENERAL NOTES

1. A permit is required for all encroaching overhanging signs and awnings. These signs and awnings are permitted in curbed urban sections for on premise advertising.
2. No advertising signs are allowed on any Interstate or Rural highway rights of way. Signs on Frontage Roads within Highway R/W in urban areas are permitted by this standard.
3. Signs with words "Stop", "Slowdown", etc. or signs similar in shape or color to official traffic signs are not permitted.
4. Lengths of signs and awnings may vary as shown except where City or County ordinances provide smaller maximums.
5. Illuminated signs attached to a building facing the R/W are permitted as shown.
6. An outdoor advertising permit is required for off premise signs.
7. Ground supported or portable signs shall not be placed within any right of way areas.

ARIZONA
DEPARTMENT OF TRANSPORTATION
HIGHWAYS DIVISION
STANDARD PLANS

PERMIT REGULATIONS
FOR SIGNS AND AWNINGS

xhibit "A"

RESOLUTION

Be it resolved on this date, June 3, 1981, I, WILLIAM A. ORDWAY, the below undersigned Director, Department of Transportation, have determined that it is to be to the advantage of the State of Arizona that the Department of Transportation, acting by and through the Highways Division, and the CITY OF HUACHUCA, acting by and through its CITY COUNCIL, enter into the Intergovernmental Agency Agreement for the purpose of entering in a maintenance agreement for certain highways which traverse the CITY OF HUACHUCA, and request the CITY to perform certain work and supply necessary materials required to maintain the specified highways in the manner specified in the attached agreement, and I hereby authorize the Assistant Director, Highways Division to execute said Agreement.

W A Ordway

WILLIAM A. ORDWAY, Director
Department of Transportation

PHONE 456-1354

P.O. DRAWER 443

TOWN OF HUACHUCA CITY

HUACHUCA CITY, ARIZONA 85616

The Sunset City

RESOLUTION NO. 293

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF HUACHUCA CITY, COCHISE COUNTY, ARIZONA, TO ENTER INTO INTERGOVERNMENTAL AGREEMENT WITH THE STATE OF ARIZONA FOR THE MAINTENANCE OF HIGHWAY 90 AND AUTHORIZING THE TOWN CLERK TO EXECUTE SAID AGREEMENT.

WHEREAS, there is a need to provide regular routine maintenance along and within the major highway transportation corridor of the Town of Huachuca City; and

WHEREAS, the Town is determined to provide safe transportation corridor to the citizens of Huachuca City and the general public; and

WHEREAS, the Town desires to enhance its image to reflect its pride in the community; and

WHEREAS, the attached agreement reflects joint participation by the Town and State to achieve these goals.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Huachuca City that the Town enter into an Intergovernmental Maintenance Agreement with the State of Arizona acting by and through the Arizona Department of Transportation to be effective on being filed with the Secretary of State; and

BE IT FURTHER RESOLVED that the Town Clerk of the Town of Huachuca City is authorized, empowered and directed to execute said Agreement on behalf of the Town.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Huachuca City, Arizona this 26th day of March, 1981

APPROVED this 26th day of March, 1981.

ATTEST:

MAYOR

TOWN CLERK

APPROVED AS TO FORM:

/s/ Harry W. Lamacher

TOWN ATTORNEY

PHONE 456-1354

P.O. DRAWER 4438

TOWN OF HUACHUCA CITY

HUACHUCA CITY, ARIZONA 85616

The Sunset City

DETERMINATION

The Office of the Town Attorney of the Town of Huachuca City, Arizona has determined that the Town of Huachuca City is authorized under the laws of the State of Arizona to enter into that agreement entitled "Intergovernmental Maintenance Agreement" between the State of Arizona and the Town of Huachuca City, Arizona, which Agreement was authorized by the Common Council of the Town of Huachuca City at a meeting held on March 26, 1981 and by Resolution No. 293.

TOWN OF HUACHUCA CITY

OFFICE OF THE TOWN ATTORNEY

By _____
Its Town Attorney

OFFICE OF THE
Attorney General
1801 WEST JEFFERSON STREET
FOURTH FLOOR
PHOENIX, ARIZONA 85007

ROBERT K. CORBIN
ATTORNEY GENERAL

INTERGOVERNMENTAL AGREEMENT

DETERMINATION

A. G. Contract No. 81-214, which is an agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952, as amended, by the undersigned Assistant Attorney General who has determined that it is in proper form and is within the powers and authority granted to the State or its agencies under the laws of the State of Arizona.

No opinion is expressed as to the authority of the remaining parties, other than the State or its agencies, to enter into said agreement.

DATED this 6th day of May, 1981.

ROBERT K. CORBIN
Attorney General

Albert Morgan
Assistant Attorney General
Transportation Division

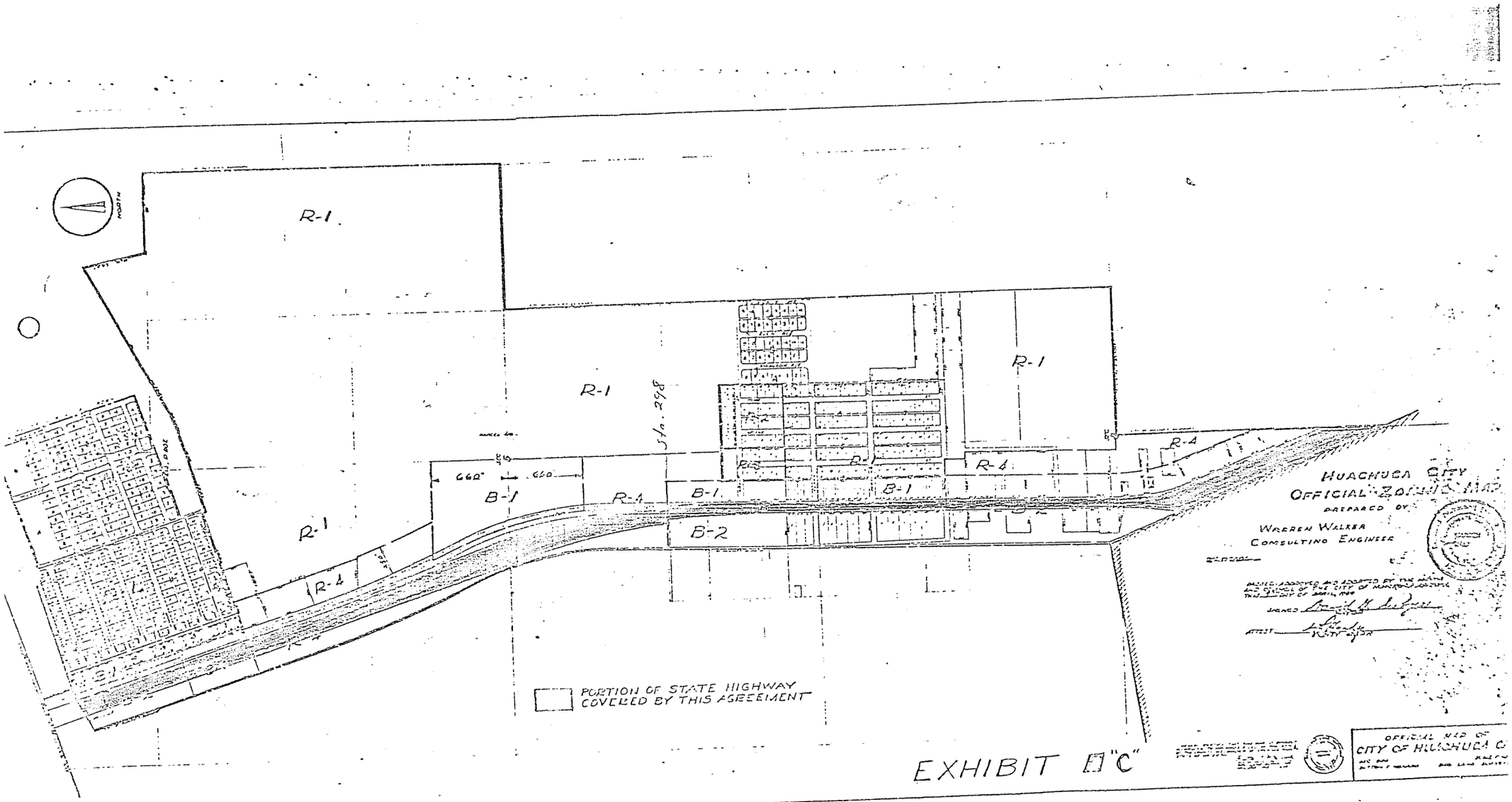

NORTH
R-1
R-1
R-1
R-1
Sta. 298
660'
660'
B-1
R-4
B-1
B-1
B-2
R-4
R-4
R-4
R-4
HUACHUCA CITY
OFFICIAL ZONING MAP
PREPARED BY
WARREN WALKER
CONSULTING ENGINEER
PORTION OF STATE HIGHWAY
COVERED BY THIS AGREEMENT
OFFICIAL MAP OF
CITY OF HUACHUCA C

EXHIBIT "C"

☐ THE WESTERN FIRE INSURANCE COMPANY

Only the Company designated ☒ shall be obligated as respects the coverage provided herein.

FORT SCOTT, KANSAS

Policy No. CM 92 21 45

MultiPolicy ®

SECTION II — GENERAL LIABILITY

COMPREHENSIVE GENERAL LIABILITY AND MEDICAL PAYMENTS — COVERAGE FORM

(Other Than Automobile)

DECLARATIONS

Item 1. **Named Insured** and Address: (No., Street, Town or City, County, State)

HUACHUCA CITY,

Item 2. Effective Date 6-12-78

Item 3. The insurance afforded is only with respect to such of the following coverages as are indicated by specific limits of liability. The limit of the company's liability shall be as stated herein, subject to all the terms of this form having reference thereto.

COVERAGES	LIMITS OF LIABILITY	
A. **Bodily Injury** Liability	$ 300,000.	each occurrence
	$ 300,000.	aggregate
B. **Property Damage** Liability	$ 50,000.	each occurrence
	$ 50,000.	aggregate
C. **Premises Medical Payments**		
_____ **Escalators**	$	each person
_____ **Sports Activities**	$	each accident
including or excluding		

Exclusion "r" of Part I of this policy is deleted if the **Completed Operations Hazard** below is designated ☒.

Exclusion "s" of Part I of this policy is deleted if the **Products Hazard** below is designated ☒.

Completed Operations ☐X **Products Hazard** ☒

Exclusion "e" of Part I of this policy does not apply to watercraft less than twenty-six feet in overall length, if watercraft below is designated ☒.

☐ Watercraft

Exclusion (q) (1) of Part I of this policy is deleted if the **Explosion Hazard** below is designated ☒.

Exclusion (q) (2) of Part I of this policy is deleted if the **Collapse Hazard** below is designated ☒.

Exclusion (q) (3) is deleted if the **Underground Property Damage Hazard** is designated ☒.

☐ **Explosion Hazard** ☐ **Collapse Hazard**

☐ **Underground Property Damage Hazard**

Description of Hazards	Code No.	Premium Bases	RATES Cov. A	RATES Cov. B	INCEPTION PREMIUMS Cov. A	INCEPTION PREMIUMS Cov. B
The rating classifications under the Description of Hazards do not modify the exclusions or other terms of this form.		(a) Area (b) Frontage (c) Remuneration (d) Receipts	(a) Per 100 Sq. Ft. Area (b) Per Lineal Foot (c) Per $100 Remuneration (d) Per $100 Receipts		$	$
(a) Premises — Operations SEE EXTENSION SCHEDULE					949.	764.
(b) Escalators NONE AT INCEPTION		Number	Per Landing			
(c) Independent Contractors — Let or Sublet Work. INCLUDED UNDER CODE 05010		Cost	Per $100 of Cost			
(d) Completed Operations IF ANY			Per $1,000 of Receipts 1,000,000. GAL.			
(e) Products WATERWORKS	49411s	90,000,000.	Per ~~$1,000~~ of Sales .258	.152	94.M.P.	33.M&P
		Premium Sub-Total			$ 1840.	
Coverage C	Premises and Operations				$	
Premises Medical Payments	Escalators				$	
	Sports Activities				$	
Endorsements 6759-R1					$	
		TOTAL INCEPTION PREMIUM			$ 1840.	

If indicated herein, interm adjustments of premium will be made: ☐ semi-annually ☐ Quarterly ☐ Monthly

Item 4. Unless otherwise stated herein, the **named insured** has disclosed to the company all hazards insured hereunder known to exist at the effective date of this form.

Countersigned: SIERRA VISTA, ARIZONA By: NOTTS' INSURANCE 206-401

Authorized Agent

FORM M (II) 4048-R7

AUTOMOBILE

In consideration of the payment of premium, in reliance upon the statements in the declarations made a part hereof and subject to all of the terms of this form, the company agrees with the named insured as follows:

I. COVERAGE A — BODILY INJURY LIABILITY
COVERAGE B — PROPERTY DAMAGE LIABILITY

The company will pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages because of

A. bodily injury or,
B. property damage

to which this insurance applies, caused by an occurrence, and the company shall have the right and duty to defend any suit against the insured seeking damages on account of such bodily injury or property damage, even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and settlement of any claim or suit as it deems expedient, but the company shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of the company's liability has been exhausted by payment of judgments or settlements.

Exclusions

This insurance does not apply:

(a) to liability assumed by the insured under any contract or agreement except an incidental contract; but this exclusion does not apply to a warranty of fitness or quality of the named insured's products or a warranty that work performed by or on behalf of the named insured will be done in a workmanlike manner;

(b) to bodily injury or property damage arising out of the ownership, maintenance, operation, use, loading or unloading of
(1) any automobile or aircraft owned or operated by or rented or loaned to any insured, or
(2) any other automobile or aircraft operated by any person in the course of his employment by any insured;
but this exclusion does not apply to the parking of an automobile on premises owned by, rented to or controlled by the named insured or the ways immediately adjoining, if such automobile is not owned by or rented or loaned to any insured;

(c) to bodily injury or property damage arising out of (1) the ownership, maintenance, operation, use, loading or unloading of any mobile equipment while being used in any prearranged or organized racing, speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity or (2) the operation or use of any snowmobile or trailer designed for use therewith;

(d) to bodily injury or property damage arising out of and in the course of the transportation of mobile equipment by an automobile owned or operated by or rented or loaned to any insured;

(e) to bodily injury or property damage arising out of the ownership, maintenance, operation, use, loading or unloading of
(1) any watercraft owned or operated by or rented or loaned to any insured, or
(2) any other watercraft operated by any person in the course of his employment by any insured;
but this exclusion does not apply to watercraft while ashore on premises owned by, rented to or controlled by the named insured;

(f) to bodily injury or property damage arising out of the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water; but this exclusion does not apply if such discharge, dispersal, release or escape is sudden and accidental;

(g) to bodily injury or property damage due to war, whether or not declared, civil war, insurrection, rebellion or revolution or to any act or condition incident to any of the foregoing, with respect to
(1) liability assumed by the insured under an incidental contract, or
(2) expenses for first aid under the Supplementary Payments provision;

(h) to bodily injury or property damage for which the insured or his indemnitee may be held liable
(1) as a person or organization engaged in the business of manufacturing, distributing, selling or serving alcoholic beverages, or
(2) if not so engaged, as an owner or lessor of premises used for such purposes, if such liability is imposed
(i) by, or because of the violation of, any statute, ordinance or regulation pertaining to the sale, gift, distribution or use of any alcoholic beverage, or
(ii) by reason of the selling, serving or giving of any alcoholic beverage to a minor or to a person under the influence of alcohol or which causes or contributes to the intoxication of any person;
but part (ii) of this exclusion does not apply with respect to liability of the insured or his indemnitee as an owner or lessor described in (2) above;

(i) to any obligation for which the insured or any carrier as his insurer may be held liable under any workmen's compensation, unemployment compensation or disability benefits law, or under any similar law;

(j) to bodily injury to any employee of the insured arising out of and in the course of his employment by the insured or to any obligation of the insured to indemnify another because of damages arising out of such injury; but this exclusion does not apply to liability assumed by the insured under an incidental contract;

(k) to property damage to
(1) property owned or occupied by or rented to the insured,
(2) property used by the insured, or
(3) property in the care, custody or control of the insured or as to which the insured is for any purpose exercising physical control;
but parts (2) and (3) of this exclusion do not apply with respect to liability under a written sidetrack agreement and part (3) of this exclusion does not apply with respect to property damage (other than to elevators) arising out of the use of an elevator at premises owned by, rented to or controlled by the named insured;

(l) to property damage to premises alienated by the named insured arising out of such premises or any part thereof;

(m) to loss of use of tangible property which has not been physically injured or destroyed resulting from
(1) a delay in or lack of performance by or on behalf of the named insured of any contract or agreement, or
(2) the failure of the named insured's products or work performed by or on behalf of the named insured to meet the level of performance, quality, fitness or durability warranted or represented by the named insured;
but this exclusion does not apply to loss or use of other tangible property resulting from the sudden and accidental physical injury to or destruction of the named insured's products or work performed by or on behalf of the named insured after such products or work have been put to use by any person or organization other than an insured;

(n) to property damage to the named insured's products arising out of such products or any part of such products;

(o) to property damage to work performed by or on behalf of the named insured arising out of the work or any portion thereof, or out of materials, parts or equipment furnished in connection therewith;

(p) to damages claimed for the withdrawal, inspection, repair, replacement, or loss of use of the named insured's products or work completed by or for the named insured or of any property of which such products or work form a part, if such products, work or property are withdrawn from the market or from use because of any known or suspected defect or deficiency therein;

(q) to property damage included within:
(1) the explosion hazard in connection with operations identified in this form by a classification code number which includes the symbol "x",
(2) the collapse hazard in connection with operations identified in this form by a classification code number which includes the symbol "c",
(3) the underground property damage hazard in connection with operations identified in this form by a classification code number which includes the symbol "u".

(r) to bodily injury or property damage included within the completed operations hazard;

(s) to bodily injury or property damage included within the products hazard.

II. PERSONS INSURED

Each of the following is an insured under this insurance to the extent set forth below:

(a) if the named insured is designated in the declarations as an individual, the person so designated but only with respect to the conduct of a business of which he is the sole proprietor, and the spouse of the named insured with respect to the conduct of such a business;

(b) if the named insured is designated in the declarations as a partnership or joint venture, the partnership or joint venture so designated and any partner or member thereof but only with respect to his liability as such;

(c) if the named insured is designated in the declarations as other than an individual, partnership or joint venture, the organization so designated and any executive officer, director or stockholder thereof while acting within the scope of his duties as such;

(d) any person (other than an employee of the named insured) or organization while acting as real estate manager for the named insured; and

(e) with respect to the operation, for the purpose of locomotion upon a public highway, of mobile equipment registered under any motor vehicle registration law.

(i) an employee of the named insured while operating any such equipment in the course of his employment, and

(ii) any other person while operating the permission of the **named insured** any such equipm registered in the name of the **named insured** and any person or organization legally onsible for such operation, but only if there is no ot alid and collectible insurance available, either on a primary or excess basis, to such person or organization;

provided that no person or organization shall be an **insured** under this paragraph (e) with respect to:

(1) **bodily injury** to any fellow employee of such person injured in the course of his employment, or

(2) **property damage** to property owned by, rented to, in charge of or occupied by the **named insured** or the employer of any person described in sub-paragraph (ii).

This insurance does not apply to **bodily injury** or **property damage** arising out of the conduct of any partnership or joint venture of which the **insured** is a partner or member and which is not designated in this form as a **named insured.**

III. LIMITS OF LIABILITY

Regardless of the number of (1) **insureds** under this form, (2) persons or organizations who sustain **bodily injury** or **property damage,** or (3) claims made or suits brought on account of **bodily injury** or **property damage,** the company's liability is limited as follows:

Coverage A—The total liability of the company for all damages, including damages for care and loss of services, because of **bodily injury** sustained by one or more persons as the result of any one **occurrence** shall not exceed the limit of bodily injury liability stated in the declarations as applicable to "each **occurrence**".

Subject to the above provision respecting **"each occurrence"**, the total liability of the company for all damages because of (1) all bodily injury included within the **completed operations hazard** and (2) all bodily injury included within the products hazard shall not exceed the limit of bodily injury liability stated in the declarations as "aggregate".

Coverage B—The total liability of the company for all damages because of all **property damage** sustained by one or more persons or organizations as the result of any one **occurrence** shall not exceed the limit of **property damage** liability stated in the declarations as applicable to "each **occurrence**".

Subject to the above provision respecting "each **occurrence**", the total liability of the company for all **damages** because of all **property damage** to which this coverage applies and described in any of the numbered subparagraphs below shall not exceed the limit of **property damage** liability stated in the declarations as "aggregate":

(1) All **property damage** arising out of premises or operations rated on a remuneration basis or contractor's equipment rated on a receipts basis, including **property damage** for which liability is assumed under **any incidental contract** relating to such premises or operations, but excluding **property damage** included in subparagraph (2) below;

(2) All **property damage** arising out of and occurring in the course of operations performed for the **named insured** by independent contractors and general supervision thereof by the **named insured,** including any such **property damage** for which liability is assumed under any **incidental contract** relating to such operations, but this subparagraph (2) does not include **property damage** arising out of maintenance or repairs at premises owned by or rented to the **named insured** or structural alterations at such premises which do not involve changing the size of or moving buildings or other structures;

(3) all **property damage** included within the **products hazard** and all **property damage** included within the **completed operations hazard.**

Such aggregate limit shall apply separately to the **property damage** described in subparagraphs (1), (2) and (3) above, and under subparagraphs (1) and (2), separately with respect to each project away from premises owned by or rented to the **named insured.**

Coverages A and B—For the purpose of determining the limit of the company's liability, all **bodily injury** and **property damage** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **occurrence.**

IV. POLICY TERRITORY

This insurance applies only to **bodily injury** or **property damage** which occurs within the **policy territory.**

V. COVERAGE C—PREMISES MEDICAL PAYMENTS

The company will pay to or for each person who sustains **bodily injury** caused by accident all reasonable **medical expense** incurred within one year from the date of the accident on account of such **bodily injury,** provided such **bodily injury** arises out of (a) a condition in the **insured premises** or (b) operations with respect to which the **named insured** is afforded coverage for **bodily injury** liability under the form.

Exclusions

This insurance does not apply:

(a) to **bodily injury**

(1) arising out of the ownership, maintenance, operation, use or unloading of

(i) any **automobile** or aircraft owned or operated by or rented or loaned to any **insured**, or

(ii) any other **automobile** or aircraft operated by any person in the course of his employment by any insured; but this exclusion does not apply to the parking of an **automobile** on the **insured premises,** if such **automobile** is not owned by or rented or loaned to any **insured;**

(2) arising out of (i) the ownership, maintenance, operation, use, loading or unloading of any **mobile equipment** while being used in any prearranged or organized racing, speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity or (ii) the operation or use of any snowmobile or trailer designed for use therewith;

(3) arising out of the ownership, maintenance, operation, use, loading or unloading of

(i) any watercraft owned or operated by or rented or loaned to any **insured**, or

(ii) any other watercraft operated by any person in the course of his employment by any insured;

but this exclusion does not apply to watercraft while ashore on the **insured premises;** or

(4) arising out of and in the course of the transportation of **mobile equipment** by an **automobile** owned or operated by or rented or loaned to **any insured;**

(b) to **bodily injury**

(1) included within the **completed operations hazard** or the **products hazard;**

(2) arising out of operations performed for the **named insured** by independent contractors other than (i) maintenance and repair of the **insured premises** or (ii structural alterations at such premises which do not involve changing the size of or moving buildings or other structures;

(3) resulting from the selling, serving or giving of any alcoholic beverage (i) in violation of any statute, ordinance or regulation (ii) to a minor, (iii) to a person under the influence of alcohol or (iv) which causes or contributes to the intoxication of any person, if the **named insured** is a person or organization engaged in the business of manufacturing, distributing, selling or serving alcoholic beverages or, if not so engaged, is an owner or lessor of premises used for such purposes but only part (i) of this exclusion (b) (3) applies when the **named Insured** is such an owner or lessor;

(4) due to war, whether or not declared, civil war, insurrection, rebellion or revolution, or to any act or condition incident to any of the foregoing;

(c) to **bodily injury**

(1) to the **named insured,** any partner therein, any tenant or other person regularly residing on the **insured premises** or any employee of any of the foregoing if the **bodily injury** arises out of and in the course of his employment therewith;

(2) to any other tenant if the **bodily injury** occurs on that part of the **insured premises** rented from the **named insured** or to any employee of such a tenant if the **bodily injury** occurs on the tenant's part of the **insured premises** and arises out of and in the course of his employment for the tenant;

(3) to any person while engaged in maintenance and repair of the **insured premises** or alteration, demolition or new construction at such premises;

(4) to any person if any benefits for such **bodily injury** are payable or required to be provided under any workmen's compensation, unemployment compensation or disability benefits law, or under any similar law;

(5) to any person practicing, instructing or participating in any physical training, sport, athletic activity or contest unless insurance is specifically indicated for **sports activities** with respect to Premises Medical Payments Coverage in Item 3 of the declarations;

(d) to any **medical expense** for services by the **named insured,** any employee thereof or any person or organization under contract to the **named insured** to provide such services.

VI. LIMITS OF LIABILITY

The limit of liability for Premises Medical Payments Coverage stated in Item 3 of the declarations as applicable to "each person" is the limit of the company's liability for all **medical expense** for **bodily injury** to any one person as the result of any one accident; but subject to the above provision respecting "each person", the total liability of the company under Premises Medical Payments Coverage for all **medical expense** for **bodily injury** to two or more persons as the result of any one accident shall not exceed the limit of liability stated in item 3 of the declarations as applicable to "each accident".

When more than one medical payments coverage afforded by the policy applies to the loss, the company shall not be liable for more than the amount of the highest applicable limit of liability.

VII. POLICY PERIOD; TERRITORY

This insurance applies only to accidents which occur during the policy period within the territory described in paragraph (1) of the definition of **policy territory.**

SUPPLEMENTARY PAYMENTS

The company will pay, in addition to the applicable limit of liability:

(a) all expenses incurred by the company, all costs taxed against the **insured** in any suit defended by the company and all interest on the entire amount of any judgment therein which accrues after entry of the judgment and before the company has paid or tendered or deposited in court that part of the judgment which does not exceed the limit of the company's liability thereon;

(b) premiums on appeal bonds required in any such suit, premiums on bonds to release attachments in any such suit for an amount not in excess of the applicable limit of liability of this form, and the cost of bail bonds required of the **insured** because of accident or traffic law violation arising out of the use of any vehicle to which this form applies, not to exceed $250 per bail bond, but the company shall have no obligation to apply for or furnish any such bonds;

(c) expenses incurred by the **insured** for first aid to others at the time of an accident, for **bodily injury** to which this form applies;

(d) reasonable expenses incurred by the **insured** at the company's request in assisting the company in the investigation or defense of any claim or suit, including actual loss of earnings not to exceed $25 per day.

DEFINITIONS

When used in this form (including endorsements forming a part hereof):

"automobile" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads (including any machinery or apparatus attached thereto), but does not include **mobile equipment**, unless such **mobile equipment** is towed by or carried on an automobile;

"bodily injury" means bodily injury, sickness or disease sustained by any person which occurs during the policy period, including death at any time resulting therefrom;

"medical expense", as respects **Coverage C**, means expenses for necessary medical, surgical, x-ray, and dental services, including prosthetic devices, and necessary ambulance, hospital, professional nursing and funeral services.

"collapse hazard" includes **"structural property damage"** as defined herein and **property damage** to any other property at any time resulting therefrom. "Structural property damage" means the collapse of or structural injury to any building or structure due to (1) grading of land, excavating, burrowing, filling, back-filling, tunnelling, pile driving, cofferdam work or caisson work or (2) moving, shoring, underpinning, raising or demolition of any building or structure or removal or rebuilding of any structural support thereof. The **collapse hazard** does not include **property damage** (1) arising out of operations performed for the **named insured** by independent contractors, or (2) included within the **completed operations hazard** or the **underground property damage hazard**, or (3) for which liability is assumed by the **insured** under an **incidental contract;**

"completed operations hazard" includes **bodily injury** and **property damage** arising out of operations or reliance upon a representation or warranty made at any time with respect thereto, but only if the **bodily injury** or **property damage** occurs after such operations have been completed or abandoned and occurs away from premises owned by or rented to the **named insured.** "Operations" include materials, parts or equipment furnished in connection therewith. Operations shall be deemed completed at the earliest of the following times:

(1) when all operations to be performed by or on behalf of the **named insured** under the contract have been completed,

(2) when all operations to be performed by or on behalf of the **named insured** at the site of the operations have been completed, or

(3) when the portion of the work out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

Operations which may require further service or maintenance work, or correction, repair or replacement because of any defect or deficiency, but which are otherwise complete, shall be deemed completed.

The **completed operations hazard** does not include **bodily injury** or **property damage** arising out of

(a) operations in connection with the transportation of property, unless the **bodily injury** or **property damage** arises out of a condition in or on a vehicle created by the loading or unloading thereof,

(b) the existence of tools, uninstalled equipment or abandoned or unused materials, or

(c) operations for which the classification stated in the form or in the company's manual specifies "including completed operations";

"elevator" means any hoisting or lowering device to connect floors or landings, whether or not in service, and all appliances thereof including any car, platform, shaft, hoistway, stairway, runway, power equipment and machinery; but does not include an **automobile** servicing hoist, or a hoist without a platform outside a building if without mechanical power or if not attached to building walls, or a hod or material hoist used in alteration, construction or demolition operations, or an inclined conveyor used exclusively for carrying property or a dumbwaiter used exclusively for carrying property and having a compartment height not exceeding four feet;

"explosion hazard" includes **property damage** arising out of blasting or explosion. The **explosion hazard** does not include **property damage** (1) arising out of the explosion of air or steam vessels, piping under pressure, prime movers, machinery or power transmitting equipment, or (2) arising out of operations performed for the **named insured** by independent contractors, or (3) included within the **completed operations hazard** or the **underground property damage hazard**, or (4) for which liability is assumed by the **insured** under an **incidental contract;**

"incidental contract" means any written (1) lease of premises, (2) easement agreement, except in connection with construction or demolition operations on or adjacent to a railroad, (3) undertaking to idemnify a municipality required by municipal ordinance, except in connection with work for the municipality, (4) sidetrack agreement, or (5) **elevator** maintenance agreement;

"insured" means any person or organization qualifying as an insured in the "Persons Insured" provision of the applicable insurance coverage. The insurance afforded applies separately to each **insured** against whom claim is made or suit is brought, except with respect to the limits of the company's liability;

"insured premises", as respects **Coverage C**, means all premises owned by or rented to the **named insured** with respect to which the **named insured** is afforded coverage for bodily injury liability under this form, and includes the ways immediately adjoining on land;

"mobile equipment" means a land vehicle (including any machinery or apparatus attached thereto), whether or not self-propelled, if not towed by or carried on an automobile, (1) not subject to motor vehicle registration, or (2) maintained for use exclusively on premises owned by or rented to the **named insured**, including the ways immediately adjoining, or (3) designed for use principally off public roads, or (4) designed or maintained for the sole purpose of affording mobility to equipment of the following types forming an integral part of or permanently attached to such vehicle: power cranes, shovels, loaders, diggers and drills; concrete mixers (other than the mix-in-transit type); graders, scrapers, rollers and other road construction or repair equipment; air-compressors, pumps and generators including spraying, welding and building cleaning equipment; and geophysical exploration and well servicing equipment;

"named insured" means the person or organization named in Item 1. of the declarations of this form;

"named insured's products" means goods or products manufactured, sold, handled or distributed by the **named insured** or by others trading under his name including any container thereof (other than a vehicle), but **"named insured's products"** shall not include a vending machine or any property other than such container, rented to or located for use of others but not sold;

"occurrence" means an accident, including continuous or repeated exposure to conditions, which results in bodily injury or property damange neither expected nor intended from the standpoint of the insured;

"policy territory" means:

(1) the United States of America, its territories or possessions, or Canada, or

(2) international waters or air space, provided the **bodily injury** or **property damage** does not occur in the course of travel or transportation to or from any other country, state or nation, or

(3) anywhere in the world with respect to **damages** because of **bodily injury** or **property damage** arising out of a product which was sold for use or consumption within the territory described in paragraph (1) above, provided the original suit for such damages is brought within such territory;

"products hazard" includes **bodily injury** and **property damage** arising out of the **named insured's products** or reliance upon a representation or warranty made at any time with respect thereto, but only if the **bodily injury** or **property damage** occurs away from premises owned by or rented to the **named insured** and after physical possession of such products has been relinquished to others;

"property damage" means (1) physical injury to or destruction of tangible property which occurs during the policy period, including the loss of use thereof at any time resulting thereform, or (2) loss of use of tangible property which has not been physically injured or destroyed provided such loss of use is caused by an occurrence during the policy period;

"underground property damage hazard" includes underground property damage as defined herein and **property damage** to any other property at any time resulting therefrom. "Underground property damage" means **property damage to wires**, conduits, pipes, mains, sewers, tanks, tunnels, any similar property, and any [illegible] beneath the surface of the ground or water, caused by and occurring during the use of mechanical equipment for the purpose [illegible] back-filling or pile driving. The **underground property damage hazard** does not include **property** [illegible] or (2) included within the **completed operations hazard**, or

"watercraft hazard" includes bodily injury and erty damage arising out of the ownership, maintenance ration, use, loading or unloading of any watercraft less than twenty-six feet in overall length.

CONDITIONS

1. Premium: All premiums for this form shall be computed in accordance with the company's rules, rates, rating plans, premiums and minimum premiums applicable to the insurance afforded herein.

Premium designated in this form as "inception premium" is a deposit premium only which shall be credited to the amount of the earned premium due at the end of the policy period. At the close of each period (or part thereof terminating with the end of the policy period) designated in the declarations as the audit period the earned premium shall be computed for such period and, upon notice thereof to the **named insured**, shall become due and payable. If the total earned premium for the policy period is less than the premium previously paid, the company shall return to the **named insured** the unearned portion paid by the **named insured**.

The **named insured** shall maintain records of such information as is necessary for premium computation, and shall send copies of such records to the company at the end of the policy period and at such times during the policy period as the company may direct.

2. Inspection and Audit: The company shall be permitted but not obligated to inspect the **named insured's** property and operations at any time. Neither the company's right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the **named insured** or others, to determine or warrant that such property or operations are safe, or healthful, or in compliance with any law, rule, or regulation.

The company may examine and audit the **named insured's** books and records at any time during the policy period and extensions thereof and within three years after the final termination of this form, as far as they relate to the subject matter of this insurance.

3. Financial Responsibility Laws:

When this form is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, such insurance as is afforded by this form for **bodily injury** liability or for **property damage** liability shall comply with the provisions of such law to the extent of the coverage and limits of liability required by such law. The **insured** agrees to reimburse the company for any payment made by the company which it would not have been obligated to make under the terms of this form except for the agreement contained in this paragraph.

4. Insured's Duties in the Event of Occurrence, Claim or Suit:

(a) In the event of an **occurrence**, written notice containing particulars sufficient to identify the **insured** and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, shall be given by or for the **insured** to the company or any of its authorized agents as soon as practicable.

(b) If claim is made or suit is brought against the **insured**, the **insured** shall immediately forward to the company every demand, notice, summons or other process received by him or his representative.

(c) The **insured** shall cooperate with the company and, upon the company's request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the **insured** because of **bodily injury** or **property damage** with respect to which insurance is afforded under this form, and the **insured** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The **insured** shall not, except at his own cost, voluntarily make any payment, assume any obligation or incur any expense other than for first aid to others at the time of accident.

5. Action Against The Company: No action shall lie against the company unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this form, nor until the amount of the **insured's** obligation to pay shall have been finally determined either by judgment against the **insured** after actual trial or by written agreement of the insured, the claimant and the company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this form to the extent of the insurance afforded by this form. No person or organization shall have any right under this form to join the company as a party to any action against the **insured** to determine the **insured's liability**, nor shall the company be impleaded by the **insured** or his legal representative. Bankruptcy or insolvency of the **insured** or of the **insured's** estate shall not relieve the company of any of its obligations hereunder.

6. Coverage C—Medical Reports; Proof and Payment of Claim

As soon as practicable the injured person or someone on his behalf shall give to the company written proof of claim, under oath if required, and shall, after each request from the company, execute authorization to enable the company to obtain medical reports and copies of records. The injured person shall submit to physical examination by physicians selected by the company when and as often as the company may reasonably require. The company may pay the injured person or any person or organization rendering the services and the payment shall reduce the amount payable hereunder for such injury. Payment hereunder shall not constitute an admission of liability of any person or, except hereunder, of the company.

7. Other Insurance: The insurance afforded by this form is primary insurance, except when stated to apply in excess of or contingent upon the absence of other insurance. When this insurance is primary and the **insured** has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the company's liability under this form shall not be reduced by the existence of such other insurance.

When both this insurance and other insurance apply to the loss on the same basis, whether primary, excess or contingent, the company shall not be liable under this form for a greater proportion of the loss than that stated in the applicable contribution provision below:

(a) **Contribution by Equal Shares.** If all of such other valid and collectible insurance provides for contribution by equal shares, the company shall not be liable for a greater proportion of such loss than would be payable if each insurer contributes an equal share until the share of each insurer equals the lowest applicable limit of liability under any one policy or the full amount of the loss is paid, and with respect to any amount of loss not so paid the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each such insurer has paid its limit in full or the full amount of the loss is paid.

(b) **Contribution by Limits.** If any of such other insurance does not provide for contribution by equal shares, the company shall not be liable for a greater proportion of such loss than the applicable limit of liability under this form for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

8. Excess Insurance — Credit for Existing Insurance: This insurance shall be excess insurance over any other valid and collectible insurance available to the **insured** with respect to loss against which the **named insured** has other insurance disclosed to the company as in effect on the effective date of this form and upon the basis of which the premium for the insurance under this form is modified, but in such event the insurance under this form shall apply only in the amount by which the applicable limit of liability stated in the declarations exceeds the applicable limit of liability of such other insurance.

9. Subrogation: In the event of any payment under this form, the company shall be subrogated to all the **insured's** rights of recovery therefor against any person or organization and the **insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **insured** shall do nothing after loss to prejudice such rights.

10. Assignment: Assignment of interest under this form shall not bind the company until its consent is endorsed hereon; if, however, the **named insured** shall die, such insurance as is afforded by this form shall apply (a) to the **named insured's** legal representative, as the **named insured**, but only while acting within the scope of his duties as such, and (b) with respect to the property of the **named insured**, to the person having proper temporary custody thereof, as **insured**, but only until the appointment and qualification of the legal representative.

11. Three Year Policy: If this form is issued for a period of three years any limit of the company's liability stated in this form as "aggregate" shall apply separately to each consecutive annual period thereof.

In Witness Whereof, the company has caused this form to be executed and attested, but this form shall not be valid unless countersigned by a duly authorized representative of the company.

E. C. Gordon
Secretary

T. M. Mayhew
President

NUCLEAR ENERGY LIABILITY EXCLUSION

It is agreed that:

I. The insurance afforded by this form does not apply:

A. Under any Liability Coverage, to **bodily injury** or **property damage**

(1) with respect to which an **insured** under this policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) resulting from the **hazardous properties** **uclear material** and with respect to which (a) any pers. organization is required to maintain financi! protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the **insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments Coverage, or under any Supplementary Payments provision relating to first aid, to expenses incurred with respect to **bodily injury** resulting from the **hazardous properties** of **nuclear materials** and arising out of the operation of a **nuclear facility** by any person or organization.

C. Under any Liability Coverage, to **bodily injury** or **property damage** resulting from the **hazardous properties** of **nuclear material**, if

(1) the **nuclear material** (a) is at any **nuclear facility** owned by, or operated by or on behalf of, an **insured** or (b) has been discharged or dispersed therefrom;

(2) the **nuclear material** is contained in **spent fuel** or **waste** at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an **insured**; or

(3) the **bodily injury** or **property damage** arises out of the furnishing by an **insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **nuclear facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to **property damage** to such **nuclear facility** and any property thereat.

II. As used in these exclusions:

"hazardous properties" include radioactive, toxic or explosive properties;

"nuclear material" means **source material, special nuclear material or by-product material;**

"source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor;**

"waste" means any waste material (1) containing **by-product material** and (2) resulting from the operation by any person or organization of any **nuclear facility** included within the definition of **nuclear facility** under paragraph (a) or (b) thereof;

"nuclear facility" means

(a) any **nuclear reactor,**

(b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing **spent fuel**, or (3) handling, processing or packaging **waste,**

(c) any equipment or device used for the processing, fabricating or alloying of **special nuclear material** if at any time the total amount of such material in the custody of the **insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,

(d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste**, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"property damage" includes all forms of radioactive contamination of property.

III. This exclusion modifies the provisions of this form relating to all Automobile Liability, General Liability, and Medical Payments Insurance other than Comprehensive Personal and Farmer's Comprehensive Personal Insurance.

KANSAS AND OKLAHOMA SPECIAL PROVISION — If this form is written in the State of Kansas or Oklahoma, it is agreed that the Subrogation Condition of the form does not apply to any Medical Payments insurance afforded by the form.

WISCONSIN: It is agreed that the words "as soon as practicable" in Condition 4 (a) of this form are deleted and the words "within 20 days" are substituted therefor.