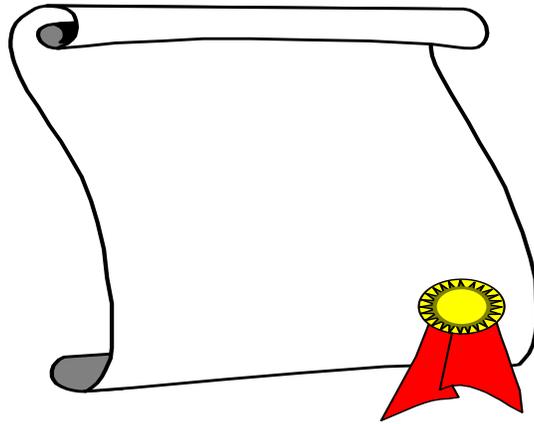


VENDORS/CONTRACTORS



PROGRAM

driver↪**alliant** | INSURANCE SERVICES

Toll Free Phone: 1-800-821-9283

Driver Alliant Insurance Services Inc.
an Alliant Resources Group company
1301 Dove Street, Suite 200, Newport Beach CA 92660 ♦ 949-756-0271
Lic # 0C36861 ♦ www.driveralliant.com

VENDORS / CONTRACTORS LIABILITY PROGRAM

INTRODUCTION

This manual affords an overview of the Vendors/Contractors Insurance Program for May 1, 2006 to May 1, 2007.

This Vendor/Contractor was developed to meet the needs of the Public Entity Sector in assuring that there is insurance in place when entering into a contract with a contractor or vendor. Coverage can be provided for General Liability, General Liability and Professional Liability combined. This will enable Public Entities to contract with qualified bidders who could not previously participate because their level of insurance could not meet the Entity's minimum insurance requirements.

Should you have any questions or require assistance, please contact Julie Ota or Dale Setlin at (800) 821-9283 in the Marketing Department at Driver Alliant Insurance Services.

VENDORS / CONTRACTORS PROGRAM

*PO Box 28323 Santa Ana, California 92799-8323 • (800) 821-9283 • Marketing Fax (619) 699-0907
Lic #0C36861 • www.driveralliant.com*

VENDORS / CONTRACTORS LIABILITY PROGRAM

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SPECIAL EVENTS/VENDORS PROGRAMS

PO Box 28323 Santa Ana, California 92799-8323 • (949) 660-8163 • Fax (949) 251-1663
Lic #OC36861 • www.rfdriver.com

**VENDORS / CONTRACTORS LIABILITY PROGRAM
GL FORMS & ENDORSEMENT LIST 2006-07**

VENDORS / CONTRACTORS GENERAL LIABILITY PROGRAM

PROGRAM ADVANTAGES

FOR THE PUBLIC ENTITY:

- DEDICATED LIMITS FOR EACH CONTRACT
- SATISFIES CONTRACT MINIMUM GENERAL LIABILITY REQUIREMENTS
- PROGRAM HAS MANY PRE-APPROVED CLASSES – WHICH EXPEDITES CONTRACT ISSUANCE
- PUBLIC ENTITY AND ALL DEPARTMENTS, AGENCIES, DIRECTORS, OFFICERS AND EMPLOYEES ARE ADDED AS AN ADDITIONAL INSURED
- SIMPLE ENROLLMENT PROCESS - NO DEPOSIT REQUIRED TO IMPLEMENT
- NO CROSS LIABILITY EXCLUSION

FOR THE VENDOR / CONTRACTOR:

- PROGRAM HAS MANY PRE-APPROVED CLASSES – WHICH EXPEDITES CONTRACT ISSUANCE
- LOW PREMIUMS, LOW DEDUCTIBLES, NO ADDITIONAL PAPERWORK
- INCLUDES GENERAL CONTRACTORS AS INSURED (SUBJECT TO CONTRACTUAL OBLIGATIONS – HIRED BY PUBLIC ENTITY ONLY)
- NO PRIOR INSURANCE REQUIRED - NO NEED TO ALTER CURRENT INSURANCE PROGRAM, IF ANY
- INCREASED LIMITS AND NON-OWNED AND HIRED AUTOMOBILE LIABILITY AVAILABLE (AT AN ADDITIONAL COST)

NOTE: COVERAGE IS AVAILABLE ONLY FOR SPECIFIC CONTRACTS WITH A PUBLIC ENTITY AND DOES NOT EXTEND TO OTHER WORK PERFORMED BY THE VENDOR/CONTRACTOR

**VENDORS / CONTRACTORS LIABILITY PROGRAM
GL FORMS & ENDORSEMENT LIST 2006-07**

VENDORS / CONTRACTORS GENERAL LIABILITY

PROGRAM OUTLINE

INSURANCE COMPANY:	Colony Insurance Company	
A.M. BEST RATING:*	A (Excellent) / Financial Size XV (\$2 billion or more) as of 6/29/05	
STANDARD & POOR'S RATING:*	A- (Strong) as of 5/16/06	
CALIFORNIA STATUS:	Non admitted	
COVERAGE TERM:	May 1, 2006 to May 1, 2007	
COVERAGE:	Combined Single Limit of Liability for Bodily Injury and Property Damage Per Occurrence and Aggregate as shown in limits below: <ul style="list-style-type: none">• Contractor or Vendor as Named Insured• Public Entity as Additional Insured• General Contractor as Additional Insured (subject to contractual obligations – hired by public entity only)• Coverage is primary and noncontributory• Includes 30 Day Notice of Cancellation to Public Entity	
GENERAL LIABILITY LIMITS:	\$1,000,000	General Aggregate Limit
	\$1,000,000	Products Completed Operations Aggregate Limit
	\$1,000,000	Personal and Advertising Injury Limit
	\$1,000,000	Each Occurrence Limit
	\$ 50,000	Damages to Premises Rented to You Limit (Any one premises)
	\$ 5,000	Medical Expense Limit (Any one person)
	All Aggregates Apply Separately To Each Project	
EXCLUDED CONTRACTS:	Classes of business not listed in the Hazard Schedules are excluded unless approved by Carrier	
DEDUCTIBLE:	\$1,000	Per Claim – Bodily Injury Liability and/or Property Damage Liability Combined

**See last page for additional information*

VENDORS / CONTRACTORS LIABILITY PROGRAM GL FORMS & ENDORSEMENT LIST 2006-07

DEPOSIT PREMIUM:

None to implement the program. Full premium for each contract is due immediately and is to include all applicable taxes and fees plus a \$50 Certificate Fee per enrolled contract.

\$650	<i>Minimum premium</i>	Hazard I
\$700	<i>Minimum premium</i>	Hazard II
\$850	<i>Minimum premium</i>	Hazard III / Submit
3.175%	<i>1/1/06-07 in addition to minimum premiums</i>	State Taxes & Fees

**EXCLUSIONS & ENDORSEMENTS
(Including but not limited to):**

Please refer to the policy for full list of exclusions

- ◆ Absolute Auto, Aircraft and Watercraft Exclusion
- ◆ Total Liquor Liability Exclusion
- ◆ Nuclear Energy Exclusion
- ◆ Employment Related Practices Exclusion
- ◆ Hazardous Materials Exclusion
- ◆ Work Height Exclusion
- ◆ Overspray Property Damage Exclusion
- ◆ Designated Work – All Residential Construction Exclusion
- ◆ Subsidence Exclusion
- ◆ War Liability Exclusion
- ◆ Fungi or Bacteria Exclusion
- ◆ Minimum Policy Premium
- ◆ Service of Suit
- ◆ CA Cancellation
- ◆ Miscellaneous Exclusions Endorsement (including but not limited to Professional Services, Intercompany Products Suits, USL&H, Jones Act & Maritime)
- ◆ Exclusion – Assault & Battery
- ◆ Contractor Coverage Limitation
- ◆ Fireworks, Rides, Motorsports and Animal Exclusion
- ◆ Deductible Liability Endorsement
- ◆ Additional Insured – Scheduled Person or Organization
- ◆ Limitation of Coverage to Business Description
- ◆ Exclusion – Designated Professional Services
- ◆ Contractual Liability Limitation
- ◆ Designated Construction Project – General Aggregate Limit
- ◆ Certified Acts of Terrorism Exclusion

PLEASE NOTE:

Driver Alliant Insurance Services, Inc. is providing this coverage on behalf of our client and is not representing ourselves as your independent broker. Please contact your local broker for additional services.

VENDORS / CONTRACTORS LIABILITY PROGRAM GL FORMS & ENDORSEMENT LIST 2006-07

THIS PROPOSAL IS FOR INFORMATION PURPOSES ONLY AND DOES NOT AMEND, EXTEND OR ALTER THE POLICY IN ANY WAY. PLEASE REFER TO THE POLICY FORM FOR COMPLETE COVERAGE AND EXCLUSION INFORMATION.

" Commissions are customarily paid by the insurance carriers to their agents and to brokers as a percentage of premiums. In addition to the commissions that Driver Alliant receives, its related entity, Alliant Specialty Insurance Services, Inc. ("ASIS") may receive compensation from Driver Alliant and/or the carrier for providing underwriting services. The financial impact of the compensation received by ASIS is a cost included in the premium. Additionally, the related entities of Driver Signature Services and/or Strategic HR may receive compensation from Driver Alliant and/or the carrier for providing designated, value-added services. Services contracted for by the client directly will be invoiced accordingly. Otherwise, services will be provided at the expense of Driver Alliant and/or the carrier. Further information is available upon written request directed to: Driver Alliant Insurance Services, Attention: Chief Operating Officer, 1620 Fifth Avenue, San Diego, CA 92101. "

Insurance brokerages such as Driver Alliance Insurance Services, Inc., typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com

For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com

To learn more about companies doing business in California, visit the California Department of Insurance website at www.insurance.ca.gov

VENDORS / CONTRACTORS LIABILITY PROGRAM

PROCEDURE FOR PROGRAM USE

GENERAL LIABILITY SUBMISSIONS WILL TYPICALLY REQUIRE TWO BUSINESS DAYS FOR A QUOTATION

HOW TO ENROLL A SPECIFIC VENDOR/CONTRACTOR:

1. Secure contract, including scope of work from the vendor / contractor. Coverage is contract specific
2. Classify the contract in accordance with the schedule of Hazard classes
3. Calculate the premium, based on the contract value, using the rate schedule. **Please be sure to add taxes, fees and certificate fee**
4. Fax the “Request to Bind / Quote Coverage” to the Marketing Department at Driver Alliant Insurance Services at 619/699-0907 or email to jota@driveralliant.com or back-up email to dsetlin@driveralliant.com
5. Driver Alliant Insurance Services will confirm premium and eligibility. The application will be forwarded to the underwriter for approval and a certificate of insurance to be issued
6. Public Entity collects premium from the vendor / contractor and provides a copy of the “Request to Bind / Quote Coverage” to the contractor
7. Public Entity remits premium payment to Driver Alliant Insurance Services no later than fifteen days following the date of the invoice. Please Remit Payment to:

Driver Alliant Insurance Services
PO Box 28323
Santa Ana, CA 92799
8. Certificate of Insurance is issued by the insurance company and mailed to the Public Entity and Vendor / Contractor upon receipt of the payment.

Note: Coverage will not become effective until Driver Alliant Insurance Services receives a completed certificate of insurance from the insurance company and premium is paid by the vendor/contractor to Driver Alliant.

VENDORS / CONTRACTORS REQUEST TO:

BIND COVERAGE **QUOTE COVERAGE**

(No Flat Cancellations – Please Be Sure Of Request To Bind.)

Indicate which coverage is being requested

General Liability **General and Professional Liability**

Vendors / Contractors Program - Complete and return to Driver Alliant to Quote / Bind.

Attention: Marketing Department / Marketing Fax: (619) 699-0907

or email to jota@driveralliant.com or dsetlin@driveralliant.com

COVERAGE NOT IN FORCE UNTIL A CERTIFICATE OR BINDER IS RECEIVED FROM COMPANY

Date: ____/____/____
____/____/____

Please bind the above account effective

Public Entity: _____ Fax: _____

Contact: _____

Vendor / Contractor:

Vendor / Contractor Mailing Address: _____

Description of Contract: _____ Contract Value: _____

Scope of Work: _____

Term of Contract: From _____ To: _____

**PREMIUM SUBJECT TO
UNDERWRITING VERIFICATION**

Total Policy Premium:	\$ _____
State Tax & Stamping Fee	\$ _____
(3.175%):	
Certificate Fee:	\$ 50.00
Total Amount Due:	\$ _____

PLEASE SUBMIT A COPY OF THE CONTRACT INCLUDING SCOPE OF SERVICES

For Consultants who are required to have Professional Liability please see General & Professional Liability Combined section of the Manual. If Professional Liability is already in place please provide a copy of the declaration page.

**** Any Professional Liability submissions that do not qualify for the GL/PL portion of the Program may be eligible for outside placement. With a completed application, contract and scope of services the quoting process can take approximately 4-6 weeks. The premium will be determined by the operations and revenue.**

**VENDORS / CONTRACTORS LIABILITY PROGRAM
ELIGIBILITY LIST FOR 2006-07**

HAZARD I CLASSES:

Minimum Premium \$650 (not including taxes & fees)

2.0% of the Contract value on Contracts under \$50,000

Contracts \$50,000 - \$100,000 2.0% of Contract Value but Must Submit for Approval

Providers of Goods and Services that are, by their nature, considered to have minimal exposure. They are providers of products by others and on premises services entity in a low impact setting as follows:

- Auctioneers (no livestock)
- Bingo Games
- Bookbinding
- Draftsmen
- Engraving
- Express Company (no hazardous materials, no bicycle or motorcycle delivery)
- Laundries
- Mailing /Addressing Companies
- Office Machine Service / Repair
- Paper Products Distributors
- Photographers
- Photo Copy Services
- Printers
- Uniform Suppliers
- Vending Machine Operations

**VENDORS / CONTRACTORS LIABILITY PROGRAM
ELIGIBILITY LIST FOR 2006-07**

HAZARD II CLASSES:

Minimum Premium \$700 *(not including taxes & fees)*

3.0% of the Contract value on Contracts under \$50,000

Contracts \$50,000 - \$100,000 3.0% of Contract Value but Must Submit for Approval

Low to medium hazard artisan contractors, involving specific tasks considered primary and not subcontracted to others.

- Appliances and Accessories-Installation / Service / Repair
- Carpet Cleaning / Installation
- Caterers
- Ceiling or Wall Installation - Metal
- Chimney Cleaning
- Communications Equipment Installation
- Concrete Construction (no foundation work)
- Debris Removal
- Decorating
- Distributors (submit – food & drink distributors)
- Door, Window or Assembled Millwork Installation - Metal
- Drywall or Wallboard Installation
- Electrical Apparatus Installation / Service / Repair
- Floor Covering Installation
- Furniture / Fixture Installation / Repair
- Graffiti Removal
- Heating and Air Conditioning Installation / Service / Repair
- Janitorial Service (no floor waxing)
- Landscaping / Lawn Mowing / Tree Trimming / Gardening
- Locksmiths
- Metal Erection (artistic / decorative)
- Painting Interior / Exterior (exterior not to exceed three stories)
- Paperhanging
- Parking Lot Sweeping
- Power-washing
- Sign Painting and Lettering (not to exceed two stories)
- Telephone Cable Installation
- Tile, Stone, Marble Installation
- Window Cleaning - (exterior not to exceed three stories)

**VENDORS / CONTRACTORS LIABILITY PROGRAM
ELIGIBILITY LIST FOR 2006-07**

HAZARD III CLASSES:

Minimum Premium \$850 *(not including taxes & fees)*
3.0% of the Contract value on Contracts up to \$100,000
Must Submit All for Approval

Applications must be submitted to the company for approval.

- Artist
- Cable Installers (within buildings)
- Carpentry
- Computer Software (including training)
- Conduit Construction (within buildings)
- Consultants
- Distributors (food or drink)
- Electrical work (within buildings)
- Electrical Data Processing
- Fence Erection Contractors
- Fire Extinguisher Service
- Freight Forwarders
- Glass Installation (no window installation)
- Greenhouse Erection
- Handyman
- Masonry Work
- Modular Building Erection
- Plumbing
- Rental Companies (no contractor's equipment)
- Sheet Metal Work
- Temporary Employment Agencies
- Window Decorating

**VENDORS / CONTRACTORS LIABILITY PROGRAM
ELIGIBILITY LIST FOR 2006-07**

INELIGIBLE CLASSIFICATIONS

- Alarm Installation / Service / Repair
- Architects & Engineers (no actual construction)
- Cement & Concrete Flat Work
- Child Mental Health Services
- Demolition (under two stories, no explosives or wrecking ball used)
- Emergency Medical Services Assistants
- Emergency Preparedness Planning
- Environmental Health Program Consultant
- Excavation
- Fire Suppression Systems Installation / Service / Repair
- Grading of Land
- Lie Detector Technician
- Medical Related (consultants with or without professional liability)
- Penal / Correctional Facilities
- Pest Control (in buildings and related areas)
- Residential Construction
- Security Guards (unarmed / no rock concerts)
- Surveillance / Investigation
- Tow Truck Companies
- Water Treatment

VENDORS / CONTRACTORS LIABILITY PROGRAM

RATE SCHEDULE

HAZARD I CLASSES:

- Subject to a \$650 Minimum Premium

Contract Value Under \$50,000 2.0% of Contract Value

Contract Value \$50,000 to \$100,000 2.0% of Contract Value - Submit for approval

HAZARD II CLASSES:

- Subject to a \$700 Minimum Premium

HAZARD III CLASSES:

- Subject to a \$850 Minimum Premium – Submit All For Approval

Contract Value Under \$50,000 3.0% of Contract Value

Contract Value \$50,000 to \$100,000 3.0% of Contract Value – Submit for approval

ADDITIONAL CHARGES:

Surplus Lines Taxes and Fee: 3.175% of premium is charged on all contracts (*effective 1/1/06-07, may change 1/1/07*)

Certificate Fee \$50.00 flat charge per contract

NOTE:

- **TAXES AND FEES MUST BE ADDED TO EACH CONTRACT**
 - **NO BINDING WITHOUT PRIOR APPROVAL**
-

RATING EXAMPLE:

\$20,000 Contract for Carpet Cleaning
Carpet Cleaning listed as Hazard II Class
Rate is 3.0% of \$20,000 (\$600), subject to \$700 minimum premium

Total Cost is: \$ 700.00 Minimum Premium
 22.23 Surplus Lines Taxes and Fees
 50.00 Certificate Fee
 \$ 772.23 Total

**VENDORS / CONTRACTORS LIABILITY PROGRAM
ELIGIBILITY LIST FOR 2006-07**

GENERAL AND PROFESSIONAL LIABILITY COMBINED

SUBMIT ONLY

Minimum Premium \$1,500 (not including taxes & fees)

Contract Value up to \$100,000

ELIGIBILITY LIST

Accountants
Advertising Agencies
Auctioneers (no livestock)
Collection Agencies
Computer Technology Consulting (software development)
Consultants*
Employment Agencies
Event Planners
Mailing Services
Multiple Listing Services
Process Services
Polygraph Examiners
Telephone Answering Services
Transcribers

NOTE: Any types of business not shown above will not fit into the Vendor/Contractors Program.

Any Professional Liability submissions that do not qualify for the GL/PL portion of the Program may be eligible for outside placement. With a completed application, contract and scope of services the quoting process can take approximately 4-6 weeks. The premium will be determined by the operations and revenue.

**VENDORS / CONTRACTORS LIABILITY PROGRAM
GL FORMS & ENDORSEMENT LIST 2006-07**

RATING

Minimum Premium:	\$650 <i>(not including taxes & fees)</i>	Hazard I Class
	\$700 <i>(not including taxes & fees)</i>	Hazard II Class
	\$850 <i>(not including taxes & fees)</i>	Hazard III – Submit Class
Rating Percentage:	2.0% of Contract Value	Hazard I Class
	3.0% of Contract Value	Hazard II & III
Contract Value:	Up to \$50,000 \$50,000 to \$100,000 Submit for Approval	
Deductible:	\$1,000 per Claim on Bodily Injury / Property Damage Liability Combined	
Excludes Professional Liability		

GENERAL LIABILITY LIMITS

\$1,000,000	General Aggregate Limit
\$1,000,000	Products Completed Operations Aggregate Limit
\$1,000,000	Personal & Advertising Injury Limit
\$1,000,000	Each Occurrence Limit
\$ 50,000	Damage to Premises Rented to You Limit (Any One Premises)
\$ 5,000	Medical Expense Limit (Any One Person)
	All Aggregates Apply Separately To Each Project

FORMS

CG0001	1001	Commercial General Liability Coverage Form
CG0062	1202	War Exclusion
CG2116		Exclusion – Designated Professional Services
CG2139		Contractual Liability Limitation
CG2167	0402	Fungi or Bacteria Exclusion
CG2503		Designated Construction Project – General Aggregate
IL0017	1198	Common Policy Conditions
IL0021	0498	Nuclear Energy Liability Exclusions
IL1201	1185	Policy Changes
DCJ6550	0102	Common Policy Declaration
DCJ6553	0702	Commercial General Liability Coverage Part Declaration
DCJ6553S	1103	Commercial General Liability Extension of Declaration

**VENDORS / CONTRACTORS LIABILITY PROGRAM
GL FORMS & ENDORSEMENT LIST 2006-07**

U001	1004	Schedule of Forms & Endorsements
U002	0904	Minimum Policy Premium
U003	0702	Hazardous Materials Exclusion
U004	0702	Miscellaneous Exclusion Endorsement
U006		Exclusion – Assault & Battery
U008CP		Contractor Coverage Limitation
U031		Fireworks, Rides, Motorsports & Animal Exclusion
U048	0904	Employment-Related Practices Exclusion
U070		Deductible Liability Endorsement
U076	0702	Work Height Exclusion
U087	0702	Total Liquor Liability Exclusion
U089	0904	Subsidence Exclusion
U094	0702	Service of Suit
U122A	0504	Exclusion – Designated Work – All Residential Construction
U155	0702	Total Auto, Aircraft, Watercraft Exclusion
U156		Additional Insured – Scheduled Person or Organization
U159		Limitation of Coverage to Business Description
U173	0702	Cancellation
U180	0702	Over Spray Property Damage Exclusion
UCG2175		Certified Acts of Terrorism Exclusion