



RFB 2026-057

South Texas Auto Rebuilders, Inc.

Supplier Response

Event Information

Number: RFB 2026-057

Title: RFB 2026-057 TYMCO Street Sweeper Parts/Services – Fleet
Department

Type: Invitation For Bid

Issue Date: 4/8/2026

Deadline: 4/30/2026 05:00 PM (CT)

Notes: The City of Laredo reserves the right to reject any and all bids, and to waive any minor irregularities.

**If the bidder submits both an electronic bid and a properly completed manual bid, the Purchasing Division will use the electronic bid to determine the total bid amount of the bid. If the bidder submits an electronic bid and a manual bid that is not complete, the Purchasing Division will use the electronic bid to determine the total bid amount of the bid. Bid forms

can be downloaded and printed through Cit-E-Bid.
Mailed Proposals (i.e. USPS, FedEx, UPS),
telegraphic, or facsimile proposals will not be
considered. **

Contact Information

Contact: Enrique Aldape III
Address: Purchasing Division
Public Works Service Center
5512 Thomas Avenue
Laredo, TX 78041
Phone: 956 (794) 1733
Fax: 956 (790) 1805
Email: ealdape@ci.laredo.tx.us

South Texas Auto Rebuilders, Inc. Information

Contact: Joe Villarreal
Address: 2720 Guadalupe
Laredo, TX 78043
Phone: (956) 723-8711
Fax: (956) 723-1768
Email: sotxauto@yahoo.com
Web Address: www.sotxauto.com

By submitting your response, you certify that you are authorized to represent and bind your company.

Jose L. Villarreal Jr.

Signature

Submitted at 4/28/2026 01:12:00 PM (CT)

sotxauto@yahoo.com

Email

Response Attachments

COQ Sweeper.pdf

COQ Questionnaire

notarized affidavit sweeper.pdf

Notarized Affidavit

Form 1295 Sweeper.pdf

Form 1295 Ethics Form

TYMCO Sweeper.pdf

RFB 2026-057 (RFB 2026-057 TYMCO Street Sweeper Parts/Services – Fleet Department)

Bid Attributes

1	Questionnaire Description "The undersigned affirms that they are duly authorized to execute this contract, that this company, corporation, firm, partnership or individual has not prepared this bid in collusion with any other bidder, and that the contents of this bid as to prices, terms or conditions of said bid have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this request. By submitting this bid the vendor agrees to the City of Laredo specifications and all terms and conditions stipulated in the proposed document. That I, individually and on behalf of the business named in this Business Questionnaire, do by my signature below, certify that the information provided in the questionnaire is true and correct".
2	Name of Offeror (Business) and Name & Phone Number of Authorized Person to sign bid South Texas Auto Rebuilders, Inc., Jose Luis Villarreal, Jr. (956)744-9445
3	State how long under has the business been in its present business name 36
4	If applicable, list all other names under which the Business identified above operated in the last five years N/A

5 State if the Company is a certified minority business enterprise
The below information is requested for statistical and tracking purposes only and will not influence the amount of expenditure the City will make with any given company.

6 Questions Part 1
1) Is any litigation pending against the Business? 2) Has the Business ever been declared "not responsive" for the purpose of any governmental agency contract award? 3) Has the Business been debarred, suspended, proposed for debarment, suspended, proposed for debarment, declared ineligible, voluntarily excluded, or other wise disqualified from bidding, proposing or contracting? 4) Are there any proceedings, pending relating to the Business responsibility, debarment, suspension, voluntary exclusion, or qualification to receive a public contract? 5) Has the government or other public entity requested or required enforcement of any of its rights under a surety agreement on the basis of default or in lieu of declaring the Business at default?
No to all questions.

7 Questions Part 2
1) Is the Business in arrears in any contract or debt? 2) Has the Business been a defaulter, as a principal, surety, or otherwise? 3) Have liquidated damages or penalty provisions been assessed against the Business for failure to complete work on time or any other reason?
No to all questions.

8 State if the Company is a certified minority business enterprise
This company is not a certified minority business

9 Conflict of Interest Disclosure
A form disclosing potential conflicts of interest involving counties, cities, and other local government entities may be required to be filed after January 1, 2006, by vendors or potential vendors to local government entities. The new requirements are set forth in Chapter 176 of the Texas Local Government Code added by H.B. No. 914 of the last Texas Legislature. Companies and individuals who contract, or seek to contract, with the City of Laredo and its agents may be required to file with the City Secretary's Office, 1110 Houston Street, Laredo, Texas 78040, a Conflict of Interest Questionnaire that describes affiliations or business relationships with the City of Laredo officers, or certain family members or business relationships of the City of Laredo officer, with which such persons do business, or any gifts in an amount of \$250.00 or more to the listed City of Laredo officer (s) or certain family members. The new requirements are in addition to any other disclosures required by law. The dates for filing disclosure statements begin on January 1, 2006. A violation of the filing requirements is a Class C misdemeanor. The Conflict of Interest Questionnaire (Form CIQ) may be downloaded from [http://www.ethics.state.tx.us/whatsnew/conflict forms.htm](http://www.ethics.state.tx.us/whatsnew/conflict%20forms.htm). The City of Laredo officials who come within Chapter 176 of the Local Government Code relating to filing of Conflicts of Interest Questionnaire (Form CIQ) include: 1. Mayor 2. Council Members 3. City Manager 4. Members of the Fire Fighters and Police Officers Civil Service Commission. 5. Members of the Planning and Zoning Commission. 6. Members of the Board of Adjustments 7. Members of the Building Standards Board 8. Parks & Leisure Advisory Committee Member, 9. Historic District Land Board Member, 10. Ethics Commission Board Member, 11. The Board of Commissioners of the Laredo Housing Authority 12. The Executive Director of the Laredo Housing Authority 13. Any other City of Laredo decision making board member If additional information is needed please contact Enrique Aldape III, Interim Purchasing Agent at 956-794-1733.

10 Conflict of Interest Questionnaire Form CIQ
For vendor or other person doing business with local governmental entity. This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session. This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a). By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code. A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

1 1	Conflict of Interest Questionnaire Vendor is required to submit Conflict of Interest Form for bid to be considered complete. Have you submitted your completed Conflict of Interest Form with your response? <input type="text" value="Yes"/>
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1 2	Disclosure Form For details on use of this form, see Section 4.01 of the City's Ethics Code.
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1 3	This is a <input type="text" value="New Submission"/>
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1 4	Question 1. Name of person submitting this disclosure form Please include First Name, Middle Initial, Last Name and Suffix (if applicable) <input type="text" value="Jose L Villarreal, Jr."/>
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1 5	Question 2. Contract Information Please include the following: a)Contract or Project Name b)Originating Department <input type="text" value="RFB 2026-057 (RFB 2026-057 TYMCO Street Sweeper Parts/Services – Fleet Department)"/>
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1 6	Question 3. Name of individual(s) or entity(ies) seeking a contract with the city (i.e. parties to the contract) <input type="text" value="South Texas Auto Rebuilders, Inc,Jose L. Villarreal, Jr."/>
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1 7	Question 4. List any business entity(ies) that is a partner, parent, subsidiary business entity(ies) of the individual or entity listed in Question 3. <input type="text" value="Not Applicable"/>
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1 8	Question 4. List any business entity(ies) that is a partner, parent, subsidiary business entity(ies) of the individual or entity listed in Question 3 If you selected Not Applicable on Question 4, skip this section. If it applies to you, please list the name of partner, parent, or subsidiary business entity(ies) in this section. <input type="text" value="N/A"/>
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1 9	Question 5. List any individuals or entities that will be subcontractors on this contract <input type="text" value="Not Applicable"/>
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2 0	Question 5. List any individuals or entities that will be subcontractors on this contract If you selected Not Applicable on Question 5, please skip this section. If it applies to you, please list subcontractors in this section. <input type="text" value="N/A"/>
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2 1	Question 6. List any attorneys, lobbyists, or consultants that have been retained to assist in seeking this contract <input type="text" value="Not Applicable"/>
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2 2	<p>Question 6. List any attorneys, lobbyists, or consultants that have been retained to assist in seeking this contract</p> <p>If selected Not Applicable on question 6, please skip this section. If it applies to you, please list attorneys, lobbyists, or consultants that have been retained to assist in seeking this contract.</p> <div style="border: 1px solid black; padding: 2px;">N/A</div>
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2 3	<p>Question 7. Disclosure of political contributions</p> <p>List any campaign or officeholder contributions made by the following individuals in the past 24 months totaling more than \$100 to any current member of City Council, former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections. a) Any individual seeking contract with the city (Question 3) b) Any owner of officer of entity seeking contract with the city (Question 3) c) Any individual or owner or officer of any entity listed above as partner, parent, or subsidiary business (Question 4) d) Any subcontractor or owner/office of subcontracting entity for the contract (Question 5) e) The spouse of any individual listed in response to (a) through (d) above f) Any attorney, lobbyist, or consultant retained to assist in seeking contract (Question 6)</p> <div style="border: 1px solid black; padding: 2px;">Not Applicable</div>
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2 4	<p>Question 7. Disclosure of political contributions</p> <p>If you selected Not Applicable on question 7, please skip this section. If it applies to you, please list all contributors in this section.</p> <div style="border: 1px solid black; padding: 2px;">N/A</div>
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2 5	<p>Updates on contributions required</p> <p>Information regarding contributions must be updated by submission of a revised form from the date of the submission of this form, up through the time City Council takes action on the contracts identified in response to Question 2 and continuing for 30 calendar days after the contract has been awarded.</p>
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2 6	<p>Question 8. Disclosure of Conflict of Interest</p> <p>Are you aware of any fact(s) with regard to this contract that would raise a "conflict of interest" issue under Section 2.01 of the Ethics Code for any City Council member or board/commission member that has not or will not be raised by these city officials?</p> <div style="border: 1px solid black; padding: 2px;">I am not aware of any conflict of interest</div>
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2 7	<p>8. Disclosure of Conflict of Interest</p> <p>If you selected I am aware of conflict of interest is question 8, please list them in this section.</p> <div style="border: 1px solid black; padding: 2px;">N/A</div>
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2 8	<p>Question 9. Updates Required</p> <p>I understand that this form must be updated by submission of a revised form if there is any change in the information before the discretionary contract is the subject of action by the City Council, and no later than five (5) business days after any changes has occurred, whichever comes first. This include information about political contributions made after the initial submission and up until thirty (30) calendar days after the contract has been awarded.</p> <p><input checked="" type="checkbox"/> I have read and understand this section</p>
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29	<p>Question 10. No Contact with City Officials or Staff during Contract Evaluation</p> <p>I understand that a person or entity who seeks or applies for city contract or any other person acting on behalf of that person or entity is prohibited from contacting city officials and employees regarding the contract after a Request for Proposal (RFP), Request for Qualifications (RFQ), or other solicitation has been released. This no-contact provision shall conclude when the contract is posted as a City of Laredo Council agenda item. If contact is required with city officials or employees, the contact shall take place in accordance with procedures incorporated into the solicitation documents. Violation of this prohibited contacts provision set out in Section 2.09 of the Ethics Code by respondents or their agents may lead to disqualification of their offer from consideration.</p> <p><input checked="" type="checkbox"/> I have read and understand this section</p>
30	<p>Question 11. Conflict of Interest Questionnaire (CIQ)</p> <p>Chapter 176 of the Local Government Code requires contractor and vendors to submit a Conflict of Interest Form (CIQ) to the Office the of City Secretary.</p> <p><input checked="" type="checkbox"/> I have acknowledge that I have been advised</p>
31	<p>Question 11. Oath</p> <p>Please complete in this section the required information for your company: 1) Name 2) Title 3) Company or DBA 4) Date</p> <p>Jose L. Villarreal, Jr. President South Texas Auto Rebuilders, Inc. 4/14/2026</p>
32	<p>Question 12. Oath</p> <p>I swear or affirm that the statements contained in this Discretionary Contracts Disclosure Form, including any attachments, to the best of my knowledge and belief are true, correct, and complete.</p> <p><input checked="" type="checkbox"/> I swear or affirm information is correct</p>
33	<p>Company Information Questionnaire</p> <p><input checked="" type="checkbox"/> I have completed this section</p>
34	<p>Conflict of Interest Questionnaire</p> <p><input checked="" type="checkbox"/> I have completed this section</p>
35	<p>Non-Collusive Affidavit</p> <p><input checked="" type="checkbox"/> I have completed and included this form</p>
36	<p>Discretionary Contracts Disclosure</p> <p><input checked="" type="checkbox"/> I have completed this section</p>

37 Certificate of Interested Parties (Form 1295)

In an effort to comply with state law the certificate of interested parties must be filled out once a vendor has been granted a contract. All of this information can be found on the State of Texas website, please use this link provided, <https://www.ethics.state.tx.us/tec/1295-Info.htm>. Implementation of House Bill 1295 Certificate of Interested Parties (Form 1295): In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that a governmental entity or state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency. The law applies only to a contract of a governmental entity or state agency that either (1) requires an action or vote by the governing body of the entity or agency before the contract may be signed or (2) has a value of at least \$1 million. The disclosure requirement applies to a contract entered into on or after January 1, 2016. The Texas Ethics Commission was required to adopt rules necessary to implement that law, prescribe the disclosure of interested parties form, and post a copy of the form on the commission's website. The commission adopted the Certificate of Interested Parties form (Form 1295) on October 5, 2015. The commission also adopted new rules (Chapter 46) on November 30, 2015, to implement the law. The commission does not have any additional authority to enforce or interpret House Bill 1295. Filing Process: Starting on January 1, 2016, the commission will make available on its website a new filing application that must be used to file Form 1295. A business entity must use the application to enter the required information on Form 1295 and print a copy of the completed form, which will include a certification of filing that will contain a unique certification number. An authorized agent of the business entity must sign the printed copy of the form and have the form notarized. The completed Form 1295 with the certification of filing must be filed with the governmental body or state agency with which the business entity is entering into the contract. The governmental entity or state agency must notify the commission, using the commission's filing application, of the receipt of the filed Form 1295 with the certification of filing not later than the 30th day after the date the contract binds all parties to the contract. The commission will post the completed Form 1295 to its website within seven business days after receiving notice from the governmental entity or state agency. Information regarding how to use the filing application will be available on this site starting on January 1, 2016. Additional Information: HB 1295 Certificate of Interested Parties (Form 1295) New Chapter 46, Ethics Commission Rules: 46.1. Application 46.3. Definitions 46.5. Disclosure of Interested Parties Form In order to comply with state law the Certificate of Interested Parties (Form 1295) must be submitted to the Texas Ethics Commission within 10 days upon receiving notice of award of contract. This form must be submitted within the allotted time otherwise this may result in the cancellation of the contract.

I will comply with this form

38 Terms and Conditions for Request for Bids

TERMS AND CONDITIONS OF INVITATIONS FOR BIDS GENERAL CONDITIONS Bidders are required to submit bids upon the following expressed conditions:

- (a) Bidders shall thoroughly examine the specifications, schedule instructions and other contract documents. Once the award has been made, failure to read all specifications, instructions, and the contract documents, of the City shall not be cause to alter the original contract or for a vendor to requests additional compensation.
- (b) Bidders shall make all investigations necessary to thoroughly inform themselves regarding facilities and locations for delivery of materials and equipment as required by the bid conditions. No pleas of ignorance by the bidder of conditions that exist or that may hereafter exist as a result of failure or omission on the part of the bidder to make the necessary examinations and investigations, or failure to fulfill in every detail the requirements of the contract documents, will be accepted as a basis for varying the requirements of the City or the compensation to the vendor.
- (c) Bidders are advised that City contracts are subject to the all legal requirements provided for in the City Charter and/or applicable City Ordinances, State and Federal Statutes.

1.0 PREPARATION OF BIDS Bids will be prepared in accordance with the following:

- (a) All information required by the bid form shall be furnished. For hand delivered submittals only, the vendor shall print or type the business name and manually sign the schedule. For electronic submittals, this information shall be submitted electronically on Cit-E-Bid system. If vendor submits both manual and electronic bids, the electronic bid will replace the manual bid and shall be considered the only valid bid.
- (b) Unit prices shall be shown and where there is an error in extension of price, the unit price shall govern.
- (c) Alternate bids will not be considered unless authorized by the invitation for bids or any applicable addendum
- (d) Proposed delivery time must be shown and shall include Sundays and holidays
- (e) Bidders will not include Federal taxes or State of Texas limited sales tax in bid prices since the City of Laredo is exempt from payment of such taxes. An exemption certificate will be furnished upon request.
- (f) The City shall pay no costs or other amounts incurred by any entity in responding to this RFB, or as a result of issuance of this RFB.

2.0 DESCRIPTION OF SUPPLIES Any catalog or manufacturer's reference used in describing an item is merely descriptive, and not restrictive, unless otherwise noted, and is used only to indicate type and quality of material. Bidder is required to state exactly what they intend to furnish; otherwise bidder shall be required to furnish the items as specified.

3.0 SUBMISSION OF BIDS

(a) Bids and changes thereto shall be enclosed in sealed envelopes, properly addressed and to include the date and hour of the bid opening and the material or services bid on shall be typed or written on the face of the envelope. If submitted electronically, this information shall be submitted electronically on Cit-E-Bid system by going to the following link: <https://cityoflaredo.onwave.net/Login.aspx>

(b) Unless otherwise noted on the Notice to Bidders cover sheet, all hand delivered bids must be submitted to the Office of the City Secretary, City Hall, 1110 Houston Street.

(c) Bids forms can be downloaded and printed through Cit-E-Bid. **Mailed Bids (i.e. USPS, FedEx, UPS), telegraphic, email or facsimile bids will not be considered.**

(d) Samples, when required, must be submitted within the time specified, at no expense to the City of Laredo. If not destroyed or used up during testing, samples will be returned upon request at the bidder's expense.

(e) Bids must be valid for a minimum period of sixty (60) days. An extension to hold bid pricing for actual quantity bids may be requested by the City.

4.0 REJECTION OF BIDS The City may reject a bid if:

(a) Bidder misstates or conceals any material fact in the bid.

(b) Bid does not strictly conform to the law or the requirements of the bid.

(c) Bidder is in arrears on existing contracts or taxes with the City of Laredo.

(d) If bids are conditional. Bidder may qualify their bid for acceptance by the City on an "ALL OR NONE" basis. An "ALL OR NONE" basis bid must include all items in the specifications.

(e) In the event that a bidder is delinquent in the payment of City taxes on the day the bids are opened, including state and local taxes, such fact shall constitute grounds for rejection of the bid or cancellation of the contract. A bidder is considered delinquent, regardless of any contract or agreed judgments to pay such delinquent taxes.

(f) No bid submitted herein shall be considered unless the bidder warrants that, upon execution of a contract with the City of Laredo, bidder will not engage in employment practices such as discriminating against employees because of race, color, sex, creed, or national origin. Bidder will submit such reports as the City may therefore require assuring compliance with said practices.

(g) The City may reject all bids or any part of a bid whenever it is deemed necessary.

(h) The City may waive any minor informalities or irregularities in any bid.

5.0 WITHDRAWAL OF BIDS Bids may not be withdrawn after they have been publicly opened, unless approved by the City Council.

6.0 LATE BIDS OR MODIFICATIONS Bids and modifications received after the time set for the bid deadline will not be considered. Late bids will be returned to the bidder unopened.

7.0 CLARIFICATION OR OBJECTION TO BID SPECIFICATIONS If any person contemplating submitting a bid for this contract is in doubt as to the true meaning of the specifications, or other bid documents or any part thereof, they may submit to the City Purchasing Agent on or before seven (7) calendar days prior to the scheduled bid deadline a request for clarification which must be submitted in writing through email seven (7) days prior to the scheduled date for opening to: CITY OF LAREDO PURCHASING AGENT Jaime Zapata 5512, Thomas Ave, Laredo, TX 78041; email: jezapata@ci.laredo.tx.us or Questions & Responses section on Cit-E-Bid system. Any vendor submitting questions shall make reference to a specific bid number, section, page and item of this solicitation. In case there are changes, additions, and/or edits to the original scope of work, and addendum will be issued by the purchasing agent to all vendors through Cit-E-Bid system under Questions and Responses section to clarify any inquiries. The City will not be responsible for any other explanations or interpretations of the proposed bid made or given prior to the bid opening or award of contract.

(a) Protest Procedures: The purpose of this procedure is to establish procedures whereby a vendor may protest specific procurement actions by the City of Laredo. The following sequence of activities must take place in filing a protest:

(b) To be performed by protesting vendor: Within ten (10) days prior to the time that the City Council considers the recommendation of the City's Purchasing Officer, the protesting vendor must provide written protest to the City Purchasing Officer. Such protest must include specific reasons for the protest.

(c) To be performed by City's Purchasing Officer: Shall review the records of procurement and determine legitimacy and procedural correctness. With five (5) working days, the City Purchasing Officer shall provide written response to the protesting vendor of the decision.

(d) If the protesting vendor is not satisfied with the decision of the City Purchasing Officer, such protesting vendor may appeal to the City Manager of the City of Laredo. If the protesting vendor cannot resolve the issue with the City Manager, he shall be entitled to address his concerns when the City Council of the City of Laredo considers the awarding of the contract. Such appeal may be made only after exhausting all administrative procedures through the City Manager. All protests must be duly submitted via Certified Mail to: City of Laredo - Purchasing Agent 5512

Thomas Ave. Laredo, Texas 78041.

8.0 BIDDER DISCOUNTS

(a) Percent discounts within a certain period of time will be accepted but cannot be used in the bid evaluation. The period of the discount offered should be sufficient to permit payments within such period in the regular course of business by the City of Laredo.

(b) In connection with any discounts offered, time will be computed from the date of receipt of supplies or service or from the date a correct invoice is received, whichever is the later date. Payment is deemed to be made on the date the check is mailed.

9.0 INTENT OF CONTRACT

a) ANNUAL SUPPLY/SERVICE CONTRACTS: This contract does not commit the City to purchase the quantities indicated. The quantities are estimates and are based on the best available information. The purpose of this contract is to establish prices for the commodities or services needed, should the City need to purchase these commodities or services. Since the quantities are estimates, the City may purchase more than the estimated quantities, less than the estimated quantities, or not purchase any quantities at all. The needs of the City shall govern the amount that is purchased. All annual contracts shall bound by the terms of the bid documents. In the event a new contract cannot be executed on the anniversary date of the original term or renewal term, the contract may be renewed month to month until a new contract is executed. The City's obligation for performance of an annual supply contract beyond the current fiscal year is contingent upon the availability of appropriated funds from which payments for the contract purchases can be made. If no funds are appropriated and budgeted during the next fiscal year, this contract becomes null and void.

10.0 AWARD OF CONTRACT

(a) This contract will be awarded to the **(lowest responsive responsible bidder)**, in accordance to the provisions of Chapters 252 and 271 of the State of Texas – Local Government Code. This contract will be awarded to the top three lowest bidders.

Definition of lowest responsive and responsible bidder as per the Institute for Public Procurement is:

"Lowest Responsive and Responsible Bidder: The bidder who fully complied with all of the bid requirements and whose past performance, reputation, and financial capability is deemed acceptable, and who has offered the most advantageous pricing or cost benefit, based on the criteria stipulated in the bid documents."

(b) The City reserves the right to accept any item or group of items in the bid specifications, unless the bidder qualifies it's bid by specific limitation. Proof: The bidder shall bear the burden of proof of compliance with the City of Laredo specifications.

(c) A written award of acceptance (a duly approved purchase order or Letter of Award) furnished by the City to the successful bidder results in a binding contract without further action by either party. These Terms and Conditions shall be the basis and governing document of the binding contract.

(d) A duly authorize purchase order number shall reference item/services description, item number, quantity and price. Invoices shall reference the assign purchase order number to avoid any duplication (2 CFR 200.318 (d)).

(e) Prices must be quoted F.O.B. Destination, Laredo, Texas, unless otherwise specified in the invitation to bid. The place of delivery shall be that set forth in the bid specifications and/or purchase order.

(f) Title & Risk of Loss: The title and risk of loss of goods shall not pass to the City of Laredo until the City actually receives and takes possession of the goods at the point or points of delivery. The terms of this agreement is "no arrival, no sale".

(g) Delivery time and prompt payment discounts will be considered in breaking ties. In the event of a tie bid, the successful bidder will be determined by choosing lots at the City Council meeting chambers.

(h) The City of Laredo shall give written notice to the contractor (supplier) if any of the following conditions exist:

1. Contractor does not provide materials in compliance with specifications and/or within the time schedule specified in bid.

2. Contractor neglects or refuses to remove materials or equipment which have been rejected by the City of Laredo if found not to comply with the specifications.

3. The contractor makes an unauthorized assignment for the benefit of any contractor.

Upon receiving written notification from the City that one of the above conditions has occurred, the contractor must remedy the problem within ten (10) calendar days, to the complete satisfaction of the City, or the contract will be immediately canceled.

4. Contract terms are the responsibility of the awarded vendor(s) and the respective City user department(s).

11.0 ENTIRE AGREEMENT

(a) All covenants, conditions and agreement contained in the solicitation, are hereby made part of the Agreement to the same extent and with the force as is fully set forth herein. If and to the extent of this Agreement and the terms of this solicitation and supplier response conflict Terms & Conditions of this solicitation shall control.

12.0 PAYMENT & INVOICING

(a) All invoices to the City of Laredo have a 30 day term from receipt of supplies or completion of services.

(b) Discount terms will be computed from the date of receipt and acceptance of supplies or services. Payment shall

be deemed to be made from that date.

(c) All invoices must show the purchase order number and invoices shall be legible. Items billed on invoices should be specific as to applicable stock, manufacturer catalog or part number. All items must show unit prices. If prices are based on discounts from list, then list prices must appear on bid schedule. All invoices shall be mailed to the Accounts Payable Office, City Hall, and PO. Box 210, Laredo, Texas 78042.

(d) The City of Laredo offers electronic funds transfer (ETF) payments in lieu of check payment when a vendor has filled out an Electronic Funds Transfer Authorization Form issued by the City of Laredo or upon request from the vendor. This ensures prompt payment directly deposited to a bank account. The estimated payment time is up fifteen (15) days from the date payment is processed. (e) For any inquires on payment status or general billing questions please contact: Jorge J. Jolly, Accounts Payable Manager 956-791-7328 jjolly@ci.laredo.tx.us 1110 Houston St. Laredo, TX 78040.

13.0 In accordance to State of Texas, the City of Laredo follows State practices when awarding any and all competitive solicitations:

TEXAS ENGINEERING AND LAND SURVEYING PRACTICE ACTS AND RULES CONCERNING PRACTICE AND LICENSURE

OCCUPATIONS CODE TITLE 6. REGULATION OF ENGINEERING, ARCHITECTURE, LAND SURVEYING, AND RELATED PRACTICES SUBTITLE A. REGULATION OF ENGINEERING AND RELATED PRACTICES CHAPTER 1001. TEXAS BOARD OF PROFESSIONAL ENGINEERS AND LAND SURVEYORS

CHAPTER 137: COMPLIANCE AND PROFESSIONALISM

SUBCHAPTER C: PROFESSIONAL CONDUCT AND ETHICS

§137.53 ENGINEER STANDARDS OF COMPLIANCE WITH PROFESSIONAL SERVICES PROCUREMENT ACT

(a) A licensed engineer shall not submit or request, orally or in writing, a competitive bid to perform professional engineering services for a governmental entity unless specifically authorized by state law and shall report to the board any requests from governmental entities and/or their representatives that request a bid or cost and/or pricing information or any other information from which pricing or cost can be derived prior to selection based on demonstrated competence and qualifications to perform the services. (b) For the purposes of this section, competitive bidding to perform engineering services includes, but is not limited to, the submission of any monetary cost information in the initial step of selecting qualified engineers.

Cost information or other information from which cost can be derived must not be submitted until the second step of negotiating a contract at a fair and reasonable cost. (c) This section does not prohibit competitive bidding in the private sector. Source Note: The provisions of this §137.53 adopted to be effective May 20, 2004, 29 TexReg 4878; amended to be effective June 4, 2007, 32 TexReg 2996.

I Agree to the Terms and Conditions

3 Insurance Terms and Conditions

9 INSURANCE REQUIREMENTS

If and when applicable or required by the contract, the successful bidder(s) shall furnish the City with original copies of valid insurance policies herein required upon execution of the contract and shall maintain said policies in full force and effect at all times throughout the term of this contract.

(a) Commercial General Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence and \$2,000,000 general aggregate for bodily injury and property damage, which coverage shall include products/completed operations (\$1,000,000 products/completed operations aggregate) and XCU (Explosion, Collapse, Underground) hazards. Coverage must be written on an occurrence form. Contractual Liability must be maintained covering the Contractors obligations contained in the contract. The general aggregate limit must be at least two (2) times the each occurrence limit.

(b) Workers Compensation insurance at statutory limits, including Employers Liability coverage a minimum limits of \$1,000,000 each-occurrence each accident/\$1,000,000 by disease each-occurrence/\$1,000,000 by disease aggregate.

(c) Commercial Automobile Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence for bodily injury and property damage, including owned, non-owned, and hired car coverage.

(d) Professional Liability, Errors & Omissions coverage, with minimum limits of \$1,000,000 per claim/ \$2,000,000 annual aggregate. This coverage must be maintained for at least two years after the project is completed. If coverage is written on a claims-made basis, a policy retroactive date equivalent to the inception date of the contract (or earlier) must be maintained during the full term of the contract.

(e) Any Subcontractor(s) hired by the Contractor shall maintain insurance coverage equal to that required of the

Contractor. It is the responsibility of the Contractor to assure compliance with this provision. The City of Laredo accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor.

(f) A Comprehensive General Liability insurance form may be used in lieu of a Commercial General Liability insurance form. In this event, coverage must be written on an occurrence basis, at limits of \$1,000,000 each-occurrence, combined single limit, and coverage must include a broad form Comprehensive General Liability Endorsement, products/completed operations, XCU hazards, and contractual liability.

(g) With reference to the foregoing insurance requirement, Contractor shall specifically endorse applicable insurance policies as follows:

1. The City of Laredo shall be named as an additional insured with respect to General Liability and Automobile Liability.
2. All liability policies shall contain no cross-liability exclusions or insured versus insured restrictions.
3. A waiver of subrogation in favor of the City of Laredo shall be contained in the Workers compensation, and all liability policies.
4. All insurance policies shall be endorsed to require the insurer to immediately notify The City of Laredo of any material change in the insurance coverage.
5. All insurance policies shall be endorsed to the effect that The City of Laredo will receive at least sixty- (60) days' notice prior to cancellation or non-renewal of the insurance.
6. All insurance policies, which name The City of Laredo as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.
7. Required limits may be satisfied by any combination of primary and umbrella liability insurances.
8. Contractor may maintain reasonable and customary deductibles, subject to approval by The City of Laredo.
9. Insurance must be purchased from insurers that are financially acceptable to the City of Laredo. Insurer must be rated A- or greater by AM Best Rating with an admitted carrier licensed by the Texas Department of Insurance.

(h) All insurance must be written on forms filed with and approved by the Texas Department of Insurance. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting the following:

1. Sets forth all endorsements and insurance coverage's according to requirements and instructions contained herein.
2. Shall specifically set forth the notice-of-cancellation or termination provisions to The City of Laredo.

(i) Upon request, Contractor shall furnish The City of Laredo with certified copies of all insurance policies.

(j) Certificates of insurance are always subject to review and approval from the City of Laredo Risk Management.

(k) Specialty certificates and licenses must be inspected and verified for accuracy and validity before award of contract.

(l) Awarded vendor is required to maintain current and active all: certifications, licenses, permits and/or insurance coverages, required to perform work, throughout the duration of this project/contract.

NON-CONSTRUCTION BIDS:

Insurance Requirements

The successful bidder(s) shall furnish the City with a Certificate of Insurance herein required upon execution of the contract and shall maintain said policies in full force and effect at all times during the term of this contract.

(a) Commercial General Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence and \$2,000,000 general aggregate for bodily injury and property damage, Coverage must be amended to provide for an each-project aggregate limit of insurance. An alternative would be to have separate limits for all lines of General Liability coverage for each project.

(b) Workers Compensation insurance at statutory limits, including Employers Liability coverage a minimum limit of \$1,000,000 each-occurrence each accident/\$1,000,000 by disease each-occurrence/\$1,000,000 by disease aggregate.

(c) Commercial Automobile Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence for bodily injury and property damage, including owned, non- owned, and hired car coverage.

(d) Any Subcontractor(s) hired by the Contractor shall maintain insurance coverage equal to that required of the Contractor. It is the responsibility of the Contractor to assure compliance with this provision. The City of Laredo accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor. The independent subcontractor performing onsite labor will extend completed operations to additional insured parties.

(e) A Comprehensive General Liability insurance form may be used in lieu of a Commercial General Liability insurance form. In this event, coverage must be written on an occurrence basis, at limits of \$1,000,000 each-occurrence, combined single limit, and coverage must include a broad form Comprehensive General Liability Endorsement.

(f) With reference to the foregoing insurance requirement, Contractor shall specifically endorse applicable insurance policies as follows:

1. The City of Laredo shall be named as a primary and non-contributory additional insured with respect to General Liability and Automobile Liability. The additional insured for General Liability shall include operations and completed operations. Completed operation are to be kept in force for a period of 10 years.
2. All liability policies shall contain no cross-liability exclusions or insured versus insured restrictions.
3. A waiver of subrogation in favor of the City of Laredo shall be contained in the Workers compensation, and all liability policies.
4. All insurance policies shall be endorsed to require the insurer to immediately notify The City of Laredo of any material change in the insurance coverage.
5. All insurance policies shall be endorsed to the effect that The City of Laredo will receive at least sixty- (60) days' notice prior to cancellation or non-renewal of the insurance.
6. All insurance policies, which name The City of Laredo as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.
7. Required limits may be satisfied by any combination of primary and umbrella liability insurances.
8. Contractor may maintain reasonable and customary deductibles, subject to approval by The City of Laredo.
9. Insurance must be purchased from insurers that are financially acceptable to the City of Laredo. Insurer must be rated A- or greater by AM Best Rating with an admitted carrier licensed by the Texas Department of Insurance.

(g) All insurance must be written on forms filed with and approved by the Texas Department of Insurance. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting the following:

1. Sets forth all endorsements and insurance coverages according to requirements and instructions contained herein.
2. Certificates of insurance shall be accompanied by a copy of each required endorsement including the notice of cancellation or termination provisions to the City of Laredo for each required type of insurance.

(h) Upon receipt of a verified claim and at the request of the City of Laredo, Contractor shall furnish The City of Laredo with certified copies of all required insurance policies.

CONSTRUCTION BIDS:

INSURANCE REQUIREMENTS

When required and specified in the City of Laredo bid specifications, the successful bidder(s) shall furnish the City with Certificate of Insurance herein required upon execution of the contract and shall maintain said policies in full force and effect at all times during the term of this contract.

(i) Commercial General Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence and \$2,000,000 general aggregate for bodily injury and property damage, which coverage shall include products/completed operations (\$1,000,000 products/ completed operations aggregate), and XCU (Explosion, Collapse, Underground) hazards. Coverage for products/completed operations must be maintained for at least two (2) years after the construction work has been completed. Coverage must be amended to provide for an each-project aggregate limit of insurance. An alternative would be to have separate limits for all lines of General Liability coverage for each project.

(j) Workers Compensation insurance at statutory limits, including Employers Liability coverage a minimum limit of \$1,000,000 each-occurrence each accident/\$1,000,000 by disease each-occurrence/\$1,000,000 by disease aggregate.

(k) Commercial Automobile Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence for bodily injury and property damage, including owned, non- owned, and hired car coverage.

(l) Any Subcontractor(s) hired by the Contractor shall maintain insurance coverage equal to that required of the Contractor. It is the responsibility of the Contractor to assure compliance with this provision. The City of Laredo accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor. The independent subcontractor performing onsite labor will extend completed operations to additional insured parties.

(m) A Comprehensive General Liability insurance form may be used in lieu of a Commercial General Liability insurance form. In this event, coverage must be written on an occurrence basis, at limits of \$1,000,000 each-occurrence, combined single limit, and coverage must include a broad form Comprehensive General Liability Endorsement, products/completed operations, XCU hazards, and contractual liability.

(n) With reference to the foregoing insurance requirement, Contractor shall specifically endorse applicable insurance policies as follows:

1. The City of Laredo shall be named as a primary and non-contributory additional insured with respect to General Liability and Automobile Liability. The additional insured for General Liability shall include operations and completed operations. Completed operation are to be kept in force for a period of 10 years.
2. All liability policies shall contain no cross-liability exclusions or insured versus insured restrictions.
3. A waiver of subrogation in favor of the City of Laredo shall be contained in the Workers compensation, Builders Risk, and all liability policies. 13. All insurance policies shall be endorsed to require the insurer to immediately notify The City of Laredo of any material change in the insurance coverage.
4. All insurance policies shall be endorsed to the effect that The City of Laredo will receive at least sixty- (60) days' notice prior to cancellation or non-renewal of the insurance.
5. All insurance policies, which name The City of Laredo as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.
6. Required limits may be satisfied by any combination of primary and umbrella liability insurances.
7. Contractor may maintain reasonable and customary deductibles, subject to approval by The City of Laredo.
8. Insurance must be purchased from insurers that are financially acceptable to the City of Laredo. Insurer must be rated A- or greater by AM Best Rating with an admitted carrier licensed by the Texas Department of Insurance.

(o) All insurance must be written on forms filed with and approved by the Texas Department of Insurance. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting the following:

1. Sets forth all endorsements and insurance coverages according to requirements and instructions contained herein.
2. Certificates of insurance shall be accompanied by a copy of each required endorsement including the notice of cancellation or termination provisions to the City of Laredo for each required type of insurance.

(p) Upon receipt of a verified claim and at the request of the City of Laredo, Contractor shall furnish The City of Laredo with certified copies of all required insurance policies.

I agree my insurance meets minumum requirements

4 **Disqualification & Debarment Certification**

0

DISQUALIFICATION & DEBARMENT CERTIFICATION By submitting this request for bids, proposal or statement of qualifications, the firm certifies that it is not currently debarred or eligible for debarment from the City of Laredo pursuant to **Ordinance No. 2017-O-098**, and that it is not an agent of a person or entity that is currently debarred from receiving contracts from any political subdivision or agency of the State of Texas. The City will further verify debarment status through use of the federal website SAM.gov. The contract parties are further prohibited from making any award at any tier to any party that is debarred or suspended or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549, "Debarment and Suspension."

By executing this agreement, the Engineer certifies that it is not currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549. The parties to this contract shall require any party to a subcontract or purchase order awarded under this contract to certify its eligibility to receive Federal funds and, when requested by the City, to furnish a copy of the certification. Additionally, in accordance with Chapter 2270, Texas Government Code, a governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract.

The signatory executing this contract on behalf of company verifies that the company does not boycott Israel and will not boycott Israel during the term of this contract. S.B. 252 (V. Taylor/S. Davis) is a bill relating to government contracts with terrorists. The bill provides that: (1) a governmental entity, including a city, may not enter into a governmental contract with a company that is identified on a list prepared and maintained by the comptroller and that does business with Iran, Sudan, or a foreign terrorist organization; and (2) a company that the United States government affirmatively declares to be excluded from its federal sanctions regime relating to Sudan, its federal sanctions regime relating to Iran, or any federal sanctions regime relating to a foreign terrorist organization is not subject to the contract prohibition under the bill.

I certify to the terms and conditions

4
1

Contract Requirements

1. CODE OF ETHICS ORDINANCE Vendors doing business with the City of Laredo shall comply with all provisions of the City of Laredo's Code of Ethics (Ordinance, as amended). Vendors may be required to participate in Code of Ethics trainings.

1.2 PROHIBITED CONTACTS DURING CONTRACT SOLICITATION PERIOD A person or entity who seeks or applies for a city contract or any other person acting on behalf of such person or entity, is prohibited from contacting city officials and employees regarding such a contract after a Formal Bid, Request for Proposal (RFP), Request for Qualification (RFQ) or other solicitation has been released. This no-contact provision shall conclude when the contract is awarded. The City of Laredo reserves the right to contact respondents and may require such contact as part of the evaluation process (for presentation, clarification) of bids and/or negotiation of RFP submittal(s) prior to the award of contract. If contact is required, such contact will be done in accordance with provisions of Chapter 252 and 271 of the Texas Local Government Code and procedures incorporated into the solicitation document. Violation of this provision by respondents or their agents may lead to disqualification of their offer from consideration.

1.3 NON-COLLUSIVE AFFIDAVIT (Form can be downloaded and submitted through Cit-E-Bid system) The City may require that vendors submit a Non-Collusive Affidavit. The vendor will be required to state that the party submitting a proposal or bid, that such proposal or bid is genuine and not collusive or sham; that said Bidder has not colluded, conspired, connived or agreed, directly or indirectly, with any Bidder or Person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price or affiant or of any other Bidder, or to fix any overhead, profit or cost element of said bid price, or of that of any other Bidder, or to secure any advantage against the City of Laredo or any person interested in the proposed contract; and that all statements in said proposal or bid are true.

1.4 CONTRACT DISCLOSURE FORMS (This is submitted through Cit-E-Bid system) The City of Laredo requires the following forms to be completed as a part of this bid for consideration; 1. Company Information Questionnaire, 2. Signed Price Schedule, 3. Conflict of Interest Questionnaire, 4. Non-Collusive Affidavit 5. Discretionary Contracts Disclosure 6. Certificate of Interested Parties (Form 1295) ****Upon Award of RFP****

1.5 CONFLICT OF INTEREST FORMS (This is submitted through Cit-E-Bid system) Conflict of Interest Disclosure: A form disclosing potential conflicts of interest involving counties, cities, and other local government entities may be required to be filed after January 1, 2006, by vendors or potential vendors to local government entities. The new requirements are set forth in Chapter 176 of the Texas Local Government Code added by H.B. No. 914 of the last Texas Legislature.

1.6 TEXAS ETHICS COMMISSION (Form 1295, Form can be downloaded and submitted through Cit-E-Bid system) Certificate of Interested Parties (Form 1295) Implementation of House Bill 1295: In an effort to comply with state law the certificate of interested parties must be filled out once a vendor has been granted a contract. All of this information can be found on the state of Texas website, please use this link provided, <https://www.ethics.state.tx.us/tec/1295-info.htm>. In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that a governmental entity or state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency. The law applies only to a contract of a governmental entity or state agency that either (1) requires an action or vote by the governing body of the entity or agency before the contract may be signed or (2) has a value of at least \$1 million. The disclosure requirement applies to a contract entered into on or after January 1, 2016. In order to comply with state law the Certificate of Interested Parties (Form 1295) must be submitted to the Texas Ethics Commission within 10 days upon receiving notice of award of contract. This form must be submitted within the allotted time otherwise this may result in the cancellation of the contract.

Changes to Form 1295:

Changes to the law requiring certain businesses to file a Form 1295 are in effect for contracts entered into or amended on or after January 1, 2018. The changes exempt businesses from filing a Form 1295 for certain types of contracts and replace the need for a completed Form 1295 to be notarized. Instead, the person filing a 1295 needs to complete an "unsworn declaration."

I have read and understand this section

4
2 **Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)**
Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)
 Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

I have read and understand this section

4
3 **Ordinance 2018-O-175**
 The City of Laredo has established a local vendor preference ordinance 2018-O-175. All informal and formal Requests for bids for contracts will be evaluated with a 5% preference for local vendors.

Understood. Jose Luis Villarreal, Jr.

4
4 **Addendum**
 The City of Laredo reserves the right to issue addenda to solicitations as necessary. Addenda are used to clarify, revise, or otherwise modify solicitation documents. All submitting parties are responsible for acknowledging receipt of each addendum issued. Failure to acknowledge any issued addendum will result in the submission being returned and considered incomplete.

Important Notice:

- Addendum notifications will be sent to the email address associated with each submission.
- It is the submitting party's responsibility to monitor the provided email address and ensure that all addenda are received and acknowledged.
- Failure to acknowledge any issued addendum will result in the submission being returned and considered incomplete.

Acknowledge

Bid Lines

1 **Package Header**

Section I: TYMCO Street Sweeper Captive New Parts/Service

Quantity: 1 UOM: PKG Total:

Item Notes:

Package Items

1.1 Percent of Discount Offered

Quantity: 1 UOM: EA Total:

1.2 Labor Rate for Services (Field)

Quantity: 1 UOM: Hourly Rate Price: Total:

1.3 Labor Rate for Services (Shop)

Quantity: 1 UOM: Hourly Rate Price: Total:

1.4 Mileage Rate (if any)

Quantity: 1 UOM: Mile Rate Price: Total:
Supplier Notes:

Response Total: \$250.50

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

OFFICE USE ONLY

Date Received

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

1 Name of vendor who has a business relationship with local governmental entity.

South Texas Auto Rebuilders, Inc.

2 Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.

N/A

Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes No

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

N/A

6 Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7 
Signature of vendor doing business with the governmental entity

4/28/2026
Date

CITY OF LAREDO
PURCHASING DIVISION

AFFIDAVIT

Project:

Form of Non-Collusive Affidavit

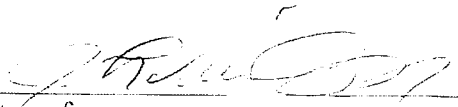
AFFIDAVIT

STATE OF TEXAS ✓
COUNTY OF WEBB ✓

Being first duly sworn, deposes and says:

That he/she is Jose Luis Villarreal, Jr. (officer of South Texas Auto Rebuilders, Inc.)
(a Partner of officer of the firm of, etc.)

The party making the foregoing SOQ or bid, that such SOQ or bid is genuine and not collusive or sham; that said Bidder has not colluded, conspired, connived or agreed directly or indirectly, with any Bidder or Person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price or affiant or of any other Bidder or to fix any overhead, profit or cost element of said bid price, or of that of any other Bidder, or to secure any advantage against the City of Laredo or any person interested in the proposed Contract; and that all statements in said SOQ or bid are true.


Signature of:

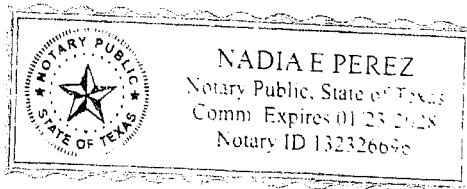
Bidder, if the Bidder is an individual
Partner, if the Bidder is a Partnership
Officer, if the Bidder is a Corporation

Subscribed and sworn before me this 24th day of March 2020


Notary Public

My commission expires:

01/23/23



CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY
CERTIFICATION OF FILING**

Certificate Number:
2026-1454222

Date Filed:
04/28/2026

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
South Texas Auto Rebuilders, Inc.
Laredo, TX United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
City of Laredo

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.
RFB 2026-057
(RFB 2026-057 TYMCO Street Sweeper Parts/Services – Fleet Department)

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party.

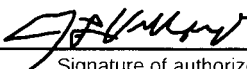
6 UNSWORN DECLARATION

My name is Jose Luis Villarreal, Jr., and my date of birth is 06/24/1971

My address is 2019 Galveston, Laredo, TX, 78043, US
(city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Webb County, State of Texas, on the 28th day of April, 2026.
(month) (year)



Signature of authorized agent of contracting business entity
(Declarant)



**CITY OF LAREDO
FINANCE DEPARTMENT
PURCHASING DIVISION
FORMAL INVITATION FOR BIDS**

**TYMCO STREET SWEEPER PARTS/SERVICE
FLEET DEPARTMENT**

Public Notice

Notice is hereby given that the City of Laredo is now accepting sealed bids, subject to the Terms and Conditions of the Invitation for Bids and other contract provisions, for awarding a one-year contract for the supply of OEM and repair service of TYMCO street sweeper equipment for the Fleet Department. The City of Laredo encourages electronic bid submissions through Cit-E-Bid, which is the preferred method for bid delivery. Electronic submissions help ensure timely receipt and efficient processing. While electronic submission is preferred, hand delivered bids will also be accepted. If submitting in person, bids will also be received at City Hall. Copies of specifications may be obtained from the Finance Department – Purchasing Division, 5512 Thomas Ave., Laredo, Texas 78041 or by downloading from our website: www.cityoflaredo.com or through Cit-E-Bid. Hand delivered bids will be received at the City Secretary Office, 1110 Houston St., 3rd floor, Laredo, Texas 78040 until **5:00 P.M on April 30, 2026; and all bids received will be opened and read publicly at 10:00 A.M. at the Office of the City Secretary on May 1, 2026.**

Hand delivered bids are to be submitted in a sealed envelope clearly marked:

**Bid: TYMCO Street Sweeper OEM Parts/Services – Fleet Department
RFB: 2026-057**

<p>Electronic bid submission:</p> <p>Specifications may be accessed and submitted through Cit-E-Bid:</p> <p>https://cityoflaredo.ionwave.net/Login.aspx</p>	<p>Hand-delivered bids are to be submitted in a sealed envelope clearly marked:</p> <p>City of Laredo – City Secretary C/O Mario I Maldonado Jr. City Hall – Third Floor 1110 Houston Street Laredo, Texas 78040</p>
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The City of Laredo reserves the right to reject any and all bids, and to waive any minor irregularities.
**If the bidder submits both an electronic bid and a properly completed manual bid, the Purchasing Division will use the electronic bid to determine the total bid amount of the bid. If the bidder submits an electronic bid and a manual bid that is not complete, the Purchasing Division will use the electronic bid to determine the total bid amount of the bid. Bid forms can be downloaded and printed through Cit-E-Bid. Mailed Proposals (i.e. USPS, FedEx, UPS), telegraphic, or facsimile proposals will not be considered. **

CITY OF LAREDO
PURCHASING DIVISION



City of Laredo
Purchasing Division
Notice to Bidders

REC'D CITY SEC OFF
APR 8 '26 4:31:52

Notice is hereby given that the City of Laredo is now accepting sealed bids, subject to the Terms and Conditions of this Request for Bids and other contract provisions, for awarding a one-year contract for the supply of captive parts and repair service of TYMCO street sweeper equipment for the Fleet Department. The City of Laredo strongly encourages electronic bid submissions through Cit-E-Bid, which is the preferred method for bid delivery. Electronic submissions help ensure timely receipt and efficient processing. While electronic submission is preferred, hand-delivered bids will also be accepted. If submitting in person, bids will also be received at City Hall. Copies of the specifications may be obtained from the Finance Department – Purchasing Division, 5512 Thomas Ave., Laredo, Texas 78041 or by downloading from our website: www.cityoflaredo.com or through Cit-E-Bid: <https://cityoflaredo.ionwave.net/Login.aspx> Hand delivered bids will be received at the City Secretary Office, 1110 Houston St., 3rd. floor, Laredo, Texas 78040 **until 5:00 P.M on April 30, 2026; and all bids received will be opened and read publicly at 10:00 A.M. at the Office of the City Secretary on May 1, 2026.**

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RFB: 2026-057**

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Hand-delivered bids are to be submitted in a sealed envelope clearly marked:

City of Laredo – City Secretary
C/O Mario I. Maldonado Jr.
City Hall – Third Floor
1110 Houston Street
Laredo, Texas 78040

Vendors/contractors submitting hand-delivered bids to the City Secretary's Office on the due date must allow sufficient time for check-in at the City Hall reception desk. The City is not responsible for any delays caused by the check-in process. Bids will not be accepted after the specified deadline, regardless of circumstances. Please plan accordingly to ensure timely submission. The City of Laredo reserves the right to reject any and all proposals, and to waive any minor irregularities.

WITNESS MY HAND AND SEAL, ON THIS 8th DAY OF APRIL 2026.

A handwritten signature in blue ink, appearing to be 'for'.

A handwritten signature in blue ink, appearing to be 'Mario I. Maldonado Jr.'.

Mario I. Maldonado Jr.
City Secretary

CITY OF LAREDO
PURCHASING DIVISION

TERMS AND CONDITIONS OF INVITATIONS FOR BIDS GENERAL CONDITIONS

Bidders are required to submit bids upon the following expressed conditions:

- (a) Bidders shall thoroughly examine the specifications, schedule instructions and other contract documents. Once the award has been made, failure to read all specifications, instructions, and the contract documents, of the City shall not be cause to alter the original contract or for a vendor to requests additional compensation.
- (b) Bidders shall make all investigations necessary to thoroughly inform themselves regarding facilities and locations for delivery of materials and equipment as required by the bid conditions. No pleas of ignorance by the bidder of conditions that exist or that may hereafter exist as a result of failure or omission on the part of the bidder to make the necessary examinations and investigations, or failure to fulfill in every detail the requirements of the contract documents, will be accepted as a basis for varying the requirements of the City or the compensation to the vendor.
- (c) Bidders are advised that City contracts are subject to the all legal requirements provided for in the City Charter and/or applicable City Ordinances, State and Federal Statutes.

1.0 PREPARATION OF BIDS Bids will be prepared in accordance with the following:

- (a) All information required by the bid form shall be furnished. For hand delivered submittals only, the vendor shall print or type the business name and manually sign the schedule. For electronic submittals, this information shall be submitted electronically on Cit-E-Bid system. If vendor submits both manual and electronic bids, the electronic bid will replace the manual bid and shall be considered the only valid bid.
- (b) Unit prices shall be shown and where there is an error in extension of price, the unit price shall govern.
- (c) Alternate bids will not be considered unless authorized by the invitation for bids or any applicable addendum
- (d) Proposed delivery time must be shown and shall include Sundays and holidays
- (e) Bidders will not include Federal taxes or State of Texas limited sales tax in bid prices since the City of Laredo is exempt from payment of such taxes. An exemption certificate will be furnished upon request.
- (f) The City shall pay no costs or other amounts incurred by any entity in responding to this RFB, or as a result of issuance of this RFB.

2.0 DESCRIPTION OF SUPPLIES Any catalog or manufacturer's reference used in describing an item is merely descriptive, and not restrictive, unless otherwise noted, and is used only to indicate type and quality of material. Bidder is required to state exactly what they intend to furnish; otherwise bidder shall be required to furnish the items as specified.

3.0 SUBMISSION OF BIDS

- (a) Bids and changes thereto shall be enclosed in sealed envelopes, properly addressed and to include the date and hour of the bid opening and the material or services bid on shall be typed or written on the face of the envelope. If submitted electronically, this information shall be submitted electronically on Cit-E-Bid system by going to the following link: <https://cityoflaredo.ionwave.net/Login.aspx>
- (b) Unless otherwise noted on the Notice to Bidders cover sheet, all hand delivered bids must be submitted to the Office of the City Secretary, City Hall, 1110 Houston Street.
- (c) Bids forms can be downloaded and printed through Cit-E-Bid. **Mailed Bids (i.e. USPS, FedEx, UPS), telegraphic, email or facsimile bids will not be considered.**
- (d) Samples, when required, must be submitted within the time specified, at no expense to the City of Laredo. If not destroyed or used up during testing, samples will be returned upon request at the bidder's expense.
- (e) Bids must be valid for a minimum period of sixty (60) days. An extension to hold bid pricing for actual quantity bids may be requested by the City.

4.0 REJECTION OF BIDS The City may reject a bid if:

- (a) Bidder misstates or conceals any material fact in the bid.
- (b) Bid does not strictly conform to the law or the requirements of the bid.
- (c) Bidder is in arrears on existing contracts or taxes with the City of Laredo.
- (d) If bids are conditional, Bidder may qualify their bid for acceptance by the City on an "ALL OR NONE" basis. An "ALL OR NONE" basis bid must include all items in the specifications.
- (e) In the event that a bidder is delinquent in the payment of City taxes on the day the bids are opened, including

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state and local taxes, such fact shall constitute grounds for rejection of the bid or cancellation of the contract. A bidder is considered delinquent, regardless of any contract or agreed judgments to pay such delinquent taxes.

(f) No bid submitted herein shall be considered unless the bidder warrants that, upon execution of a contract with the City of Laredo, bidder will not engage in employment practices such as discriminating against employees because of race, color, sex, creed, or national origin. Bidder will submit such reports as the City may therefore require assuring compliance with said practices.

(g) The City may reject all bids or any part of a bid whenever it is deemed necessary.

(h) The City may waive any minor informalities or irregularities in any bid.

5.0 WITHDRAWAL OF BIDS Bids may not be withdrawn after they have been publicly opened, unless approved by the City Council.

6.0 LATE BIDS OR MODIFICATIONS Bids and modifications received after the time set for the bid deadline will not be considered. Late bids will be returned to the bidder unopened.

7.0 CLARIFICATION OR OBJECTION TO BID SPECIFICATIONS If any person contemplating submitting a bid for this contract is in doubt as to the true meaning of the specifications, or other bid documents or any part thereof, they may submit to the City Purchasing Agent on or before seven (7) calendar days prior to the scheduled bid deadline a request for clarification which must be submitted in writing through email seven (7) days prior to the scheduled date for opening to: CITY OF LAREDO PURCHASING AGENT 5512, Thomas Ave, Laredo, TX 78041; Questions & Responses section on Cit-E-Bid system. Any vendor submitting questions shall make reference to a specific bid number, section, page and item of this solicitation. In case there are changes, additions, and/or edits to the original scope of work, and addendum will be issued by the purchasing agent to all vendors through Cit-E-Bid system under Questions and Responses section to clarify any inquiries. The City will not be responsible for any other explanations or interpretations of the proposed bid made or given prior to the bid opening or award of contract.

(a) Protest Procedures: The purpose of this procedure is to establish procedures whereby a vendor may protest specific procurement actions by the City of Laredo. The following sequence of activities must take place in filing a protest:

(b) To be performed by protesting vendor: Within ten (10) days prior to the time that the City Council considers the recommendation of the City's Purchasing Officer, the protesting vendor must provide written protest to the City Purchasing Officer. Such protest must include specific reasons for the protest.

(c) To be performed by City's Purchasing Officer: Shall review the records of procurement and determine legitimacy and procedural correctness. With five (5) working days, the City Purchasing Officer shall provide written response to the protesting vendor of the decision.

(d) If the protesting vendor is not satisfied with the decision of the City Purchasing Officer, such protesting vendor may appeal to the City Manager of the City of Laredo. If the protesting vendor cannot resolve the issue with the City Manager, he shall be entitled to address his concerns when the City Council of the City of Laredo considers the awarding of the contract. Such appeal may be made only after exhausting all administrative procedures through the City Manager. All protests must be duly submitted via Certified Mail to: City of Laredo - Purchasing Agent 5512 Thomas Ave, Laredo, Texas 78041.

8.0 BIDDER DISCOUNTS

(a) Percent discounts within a certain period of time will be accepted but cannot be used in the bid evaluation. The period of the discount offered should be sufficient to permit payments within such period in the regular course of business by the City of Laredo.

(b) In connection with any discounts offered, time will be computed from the date of receipt of supplies or service or from the date a correct invoice is received, whichever is the later date. Payment is deemed to be made on the date the check is mailed.

9.0 INTENT OF CONTRACT

a) **ANNUAL SUPPLY/SERVICE CONTRACTS:** This contract does not commit the City to purchase the quantities indicated. The quantities are estimates and are based on the best available information. The purpose of this contract is to establish prices for the commodities or services needed, should the City need to purchase these commodities or

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services. Since the quantities are estimates, the City may purchase more than the estimated quantities, less than the estimated quantities, or not purchase any quantities at all. The needs of the City shall govern the amount that is purchased. All annual contracts shall bound by the terms of the bid documents. In the event a new contract cannot be executed on the anniversary date of the original term or renewal term, the contract may be renewed month to month until a new contract is executed. The City's obligation for performance of an annual supply contract beyond the current fiscal year is contingent upon the availability of appropriated funds from which payments for the contract purchases can be made. If no funds are appropriated and budgeted during the next fiscal year, this contract becomes null and void.

10.0 AWARD OF CONTRACT

(a) This contract will be awarded to the **(lowest responsive responsible bidder)**, in accordance to the provisions of Chapters 252 and 271 of the State of Texas – Local Government Code. This contract will be awarded to the top three lowest bidders.

Definition of lowest responsive and responsible bidder as per the Institute for Public Procurement is:

"Lowest Responsive and Responsible Bidder: The bidder who fully complied with all of the bid requirements and whose past performance, reputation, and financial capability is deemed acceptable, and who has offered the most advantageous pricing or cost benefit, based on the criteria stipulated in the bid documents."

(b) The City reserves the right to accept any item or group of items in the bid specifications, unless the bidder qualifies it's bid by specific limitation. Proof: The bidder shall bear the burden of proof of compliance with the City of Laredo specifications.

(c) A written award of acceptance (a duly approved purchase order or Letter of Award) furnished by the City to the successful bidder results in a binding contract without further action by either party. These Terms and Conditions shall be the basis and governing document of the binding contract.

(d) A duly authorize purchase order number shall reference item/services description, item number, quantity and price. Invoices shall reference the assign purchase order number to avoid any duplication (2 CFR 200.318 (d)).

(e) Prices must be quoted F.O.B. Destination, Laredo, Texas, unless otherwise specified in the invitation to bid. The place of delivery shall be that set forth in the bid specifications and/or purchase order.

(f) Title & Risk of Loss: The title and risk of loss of goods shall not pass to the City of Laredo until the City actually receives and takes possession of the goods at the point or points of delivery. The terms of this agreement is "no arrival, no sale".

(g) Delivery time and prompt payment discounts will be considered in breaking ties. In the event of a tie bid, the successful bidder will be determined by choosing lots at the City Council meeting chambers.

(h) The City of Laredo shall give written notice to the contractor (supplier) if any of the following conditions exist:

1. Contractor does not provide materials in compliance with specifications and/or within the time schedule specified in bid.
2. Contractor neglects or refuses to remove materials or equipment which have been rejected by the City of Laredo if found not to comply with the specifications.
3. The contractor makes an unauthorized assignment for the benefit of any contractor.

Upon receiving written notification from the City that one of the above conditions has occurred, the contractor must remedy the problem within ten (10) calendar days, to the complete satisfaction of the City, or the contract will be immediately canceled.

4. Contract terms are the responsibility of the awarded vendor(s) and the respective City user department(s).

11.0 ENTIRE AGREEMENT

(a) All covenants, conditions and agreement contained in the solicitation, are hereby made part of the Agreement to the same extent and with the force as is fully set forth herein. If and to the extent of this Agreement and the terms of this solicitation and supplier response conflict Terms & Conditions of this solicitation shall control.

12.0 PAYMENT & INVOICING

(a) All invoices to the City of Laredo have a 30 day term from receipt of supplies or completion of services.

(b) Discount terms will be computed from the date of receipt and acceptance of supplies or services. Payment shall be deemed to be made from that date.

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(c) All invoices must show the purchase order number and invoices shall be legible. Items billed on invoices should be specific as to applicable stock, manufacturer catalog or part number. All items must show unit prices. If prices are based on discounts from list, then list prices must appear on bid schedule. All invoices shall be mailed to the Accounts Payable Office, City Hall, and PO. Box 210, Laredo, Texas 78042.

(d) The City of Laredo offers electronic funds transfer (ETF) payments in lieu of check payment when a vendor has filled out an Electronic Funds Transfer Authorization Form issued by the City of Laredo or upon request from the vendor. This ensures prompt payment directly deposited to a bank account. The estimated payment time is up fifteen (15) days from the date payment is processed. (e) For any inquires on payment status or general billing questions please contact: Jorge J. Jolly, Accounts Payable Manager 956-791-7328 jjolly@ci.laredo.tx.us 1110 Houston St. Laredo, TX 78040.

13.0 In accordance to State of Texas, the City of Laredo follows State practices when awarding any and all competitive solicitations:

TEXAS ENGINEERING AND LAND SURVEYING PRACTICE ACTS AND RULES CONCERNING PRACTICE AND LICENSURE OCCUPATIONS CODE TITLE 6. REGULATION OF ENGINEERING, ARCHITECTURE, LAND SURVEYING, AND RELATED PRACTICES SUBTITLE A. REGULATION OF ENGINEERING AND RELATED PRACTICES CHAPTER 1001. TEXAS BOARD OF PROFESSIONAL ENGINEERS AND LAND SURVEYORS CHAPTER 137: COMPLIANCE AND PROFESSIONALISM SUBCHAPTER C: PROFESSIONAL CONDUCT AND ETHICS §137.53 ENGINEER STANDARDS OF COMPLIANCE WITH PROFESSIONAL SERVICES PROCUREMENT ACT

(a) A licensed engineer shall not submit or request, orally or in writing, a competitive bid to perform professional engineering services for a governmental entity unless specifically authorized by state law and shall report to the board any requests from governmental entities and/or their representatives that request a bid or cost and/or pricing information or any other information from which pricing or cost can be derived prior to selection based on demonstrated competence and qualifications to perform the services.

(b) For the purposes of this section, competitive bidding to perform engineering services includes, but is not limited to, the submission of any monetary cost information in the initial step of selecting qualified engineers. Cost information or other information from which cost can be derived must not be submitted until the second step of negotiating a contract at a fair and reasonable cost. (c) This section does not prohibit competitive bidding in the private sector. Source Note: The provisions of this §137.53 adopted to be effective May 20, 2004, 29 TexReg 4878; amended to be effective June 4, 2007, 32 TexReg 2996.

14.0 INSURANCE REQUIREMENTS (NON-CONSTRUCTION) (Not applicable for this contract)

The successful bidder(s) shall furnish the City with a Certificate of Insurance herein required upon execution of the contract and shall maintain said policies in full force and effect at all times during the term of this contract.

(a) Commercial General Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence and \$2,000,000 general aggregate for bodily injury and property damage. Coverage must be amended to provide for an each-project aggregate limit of insurance. An alternative would be to have separate limits for all lines of General Liability coverage for each project.

(b) Workers Compensation insurance at statutory limits, including Employers Liability coverage a minimum limit of \$1,000,000 each-occurrence each accident/\$1,000,000 by disease each-occurrence/\$1,000,000 by disease aggregate.

(c) Commercial Automobile Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence for bodily injury and property damage, including owned, non- owned, and hired car coverage.

(d) Any Subcontractor(s) hired by the Contractor shall maintain insurance coverage equal to that required of the Contractor. It is the responsibility of the Contractor to assure compliance with this provision. The City of Laredo accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor. The independent subcontractor performing onsite labor will extend completed operations to additional insured parties.

(e) A Comprehensive General Liability insurance form may be used in lieu of a Commercial General Liability insurance form. In this event, coverage must be written on an occurrence basis, at limits of \$1,000,000 each-

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occurrence, combined single limit, and coverage must include a broad form Comprehensive General Liability Endorsement.

(f) With reference to the foregoing insurance requirement, Contractor shall specifically endorse applicable insurance policies as follows:

1. The City of Laredo shall be named as a primary and non-contributory additional insured with respect to General Liability and Automobile Liability. The additional insured for General Liability shall include operations and completed operations. Completed operations are to be kept in force for a period of 10 years.
2. All liability policies shall contain no cross-liability exclusions or insured versus insured restrictions.
3. A waiver of subrogation in favor of the City of Laredo shall be contained in the Workers compensation, and all liability policies.
4. All insurance policies shall be endorsed to require the insurer to immediately notify The City of Laredo of any material change in the insurance coverage.
5. All insurance policies shall be endorsed to the effect that The City of Laredo will receive at least sixty- (60) days' notice prior to cancellation or non-renewal of the insurance.
6. All insurance policies, which name The City of Laredo as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.
7. Required limits may be satisfied by any combination of primary and umbrella liability insurances.
8. Contractor may maintain reasonable and customary deductibles, subject to approval by The City of Laredo.
9. Insurance must be purchased from insurers that are financially acceptable to the City of Laredo. Insurer must be rated A- or greater by AM Best Rating with an admitted carrier licensed by the Texas Department of Insurance.

(g) All insurance must be written on forms filed with and approved by the Texas Department of Insurance.

Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting the following:

1. Sets forth all endorsements and insurance coverages according to requirements and instructions contained herein.
2. Certificates of insurance shall be accompanied by a copy of each required endorsement including the notice of cancellation or termination provisions to the City of Laredo for each required type of insurance.

(h) Upon receipt of a verified claim and at the request of the City of Laredo, Contractor shall furnish The City of Laredo with certified copies of all required insurance policies.

15.0 CONTRACT REQUIREMENTS

15.1 CODE OF ETHICS ORDINANCE 2012-0-126

Vendors doing business with the City of Laredo shall comply with all provisions of the City of Laredo's Code of Ethics.

15.2 PROHIBITED CONTACTS DURING CONTRACT SOLICITATION PERIOD

A person or entity who seeks or applies for a city contract or any other person acting on behalf of such person or entity, is prohibited from contacting city officials and employees regarding such a contract after a Formal Bid, Request for Proposal (RFP), Request for Qualification (RFQ) or other solicitation has been released. This no contact provision shall conclude when the contract is awarded. If contact is required, such contact will be done in accordance with procedures incorporated into the solicitation document. Violation of this provision by respondents or their agents may lead to disqualification of their offer from consideration.

15.3 NON-COLLUSIVE AFFIDAVIT (Attached)

The City may require that vendors submit a Non-Collusive Affidavit. The vendor will be required to state that the party submitting a proposal or bid, that such proposal or bid is genuine and not collusive or sham; that said Bidder has not colluded, conspired, connived or agreed, directly or indirectly, with any Bidder or Person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price or affiant or of any other Bidder, or to fix any overhead, profit or cost element of said bid price, or of that of any other Bidder, or to secure any advantage

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against the City of Laredo or any person interested in the proposed contract; and that all statements in said proposal or bid are true.

15.4 CONTRACT DISCLOSURE FORMS (Attached)

The City of Laredo requires the following forms to be completed as a part of this bid for consideration:

1. Company Information Questionnaire.
2. Signed Price Schedule.
3. Conflict of Interest Questionnaire.
4. Non-Collusive Affidavit
5. Discretionary Contracts Disclosure
6. Certificate of Interested Parties (Form 1295) ****Upon Award of Bid Only****

15.5 CONFLICT OF INTEREST FORMS (Attached)

Conflict of Interest Disclosure: A form disclosing potential conflicts of interest involving counties, cities, and other local government entities may be required to be filed after January 1, 2006, by vendors or potential vendors to local government entities. The new requirements are set forth in Chapter 176 of the Texas Local Government Code added by H.B. No. 914 of the last Texas Legislature.

15.6 TEXAS ETHICS COMMISSION (Form 1295, Attached)

Certificate of Interested Parties (Form 1295)

Implementation of House Bill 1295: In an effort to comply with state law the certificate of interested parties must be filled out once a vendor has been granted a contract. All of this information can be found on the state of Texas website, please use this link provided, <https://www.ethics.state.tx.us/tec/1295-Info.htm>

In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that a governmental entity or state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency. The law applies only to a contract of a governmental entity or state agency that either (1) requires an action or vote by the governing body of the entity or agency before the contract may be signed or (2) has a value of at least \$1 million. The disclosure requirement applies to a contract entered into on or after January 1, 2016.

In order to comply with state law the Certificate of Interested Parties (Form 1295) must be submitted to the Texas Ethics Commission within 10 days upon receiving notice of award of contract. This form must be submitted within the allotted time otherwise this will result in the cancellation of the contract.

16.0 DISQUALIFICATION & DEBARMENT CERTIFICATION

By submitting this Statement of Qualifications, the firm certifies that it is not currently debarred or eligible for debarment from the City of Laredo pursuant to **Ordinance No. 2017-O-098**, and that it is not an agent of a person or entity that is currently debarred from receiving contracts from any political subdivision or agency of the State of Texas. The contract parties are further prohibited from making any award at any tier to any party that is debarred or suspended or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549, "Debarment and Suspension." By executing this agreement, the Engineer certifies that it is not currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549. The parties to this contract shall require any party to a subcontract or purchase order awarded under this contract to certify its eligibility to receive Federal funds and, when requested by the City, to furnish a copy of the certification.

Additionally, in accordance with Chapter 2270, Texas Government Code, a governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. The signatory executing this contract on behalf of company verifies that the company does not boycott Israel and will not boycott Israel during the term of this contract.

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S.B. 252 (V. Taylor/S. Davis) is a bill relating to government contracts with terrorists. The bill provides that: (1) a governmental entity, including a city, may not enter into a governmental contract with a company that is identified on a list prepared and maintained by the comptroller and that does business with Iran, Sudan, or a foreign terrorist organization; and (2) a company that the United States government affirmatively declares to be excluded from its federal sanctions regime relating to Sudan, its federal sanctions regime relating to Iran, or any federal sanctions regime relating to a foreign terrorist organization is not subject to the contract prohibition under the bill.

Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)

Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

17.0 Addendum

The City of Laredo reserves the right to issue addenda to solicitations as necessary. Addenda are used to clarify, revise, or otherwise modify solicitation documents. All submitting parties are responsible for acknowledging receipt of each addendum issued. Failure to acknowledge any issued addendum will result in the submission being returned and considered incomplete.

Important Notice:

Addendum notifications will be sent to the email address associated with each submission. It is the submitting party's responsibility to monitor the provided email address and ensure that all addenda are received and acknowledged. Failure to acknowledge any issued addendum will result in the submission being returned and considered incomplete.

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Formal Invitation for Bids
TYMCO Street Sweeper Parts/Service
Fleet Department

18.0 Scope of Work

The City of Laredo is requesting bid pricing from qualified vendors for awarding a one-year contract for the supply of captive parts and repair service of TYMCO street sweeper equipment for the Fleet Department. Copies of the bid specifications may be obtained from the Finance Department – Purchasing Division, 5512 Thomas Ave., Laredo, Texas 78041 or by downloading from our website: www.cityoflaredo.com or through Cit-E-Bid: <https://cityoflaredo.ionwave.net/Login.aspx>

18.1 All questions for this bid shall be submitted through Cit-E-Bid no later than, April 17, 2026 before 2:00 P.M.

18.2 Point of Contact

For additional questions regarding these specifications please contact:

Contact	Phone#	Email
Ronald W. Miller	(956) 727-6455	rmiller@ci.laredo.tx.us

19.0 Contract Provisions

19.1 The bidder shall quote prices F.O.B. destination, City of Laredo – Fleet Department, 1102 Bob Bullock Loop, Laredo, Texas. However, there will be occasions when the parts may be picked up. Allowances for special freight charges will be acceptable only when expedited delivery is approved by the City of Laredo.

19.2 Pick up & delivery: Successful bidder must provide pickup and delivery of parts during regular working hours to the Fleet Management Shop located at 1102 Bob Bullock Loop.

19.3 When vendors cannot abide by the terms and conditions in fulfilling their contract, the City reserves the right to purchase contract materials on the open market and charge the contract vendor the price difference.

19.4 An annual contract purchase order will be issued for each City agency authorized to place orders against this annual contract. The contract purchase order will not list individual items or prices. Vendor must have the contract purchase order before making any delivery.

19.5 All invoices must be submitted in duplicate and show each purchase order number. Items billed on invoices must be specific as to applicable stock, manufacturer, catalog or part number (if any). All items must show unit prices, labor rate (hourly rate), and mileage rate (if applicable) or otherwise specified. If prices are based on discounts from list, then the list prices, the "plus" in terms of percentage, and net unit prices, extensions and net total prices must be shown.

19.6 Revision of Manufacturer's price list(s): The bid will be based on manufacturer's latest dated price list (s). Said price list(s) must denote the manufacturer, latest effective date and price schedule. It is agreed that any published price list(s) may be superseded or replaced during the contract period only if the manufacturer for industry wide use publishes such list(s).

19.7 All subject price lists should be submitted with this bid and shall become a part hereof. However, if in the opinion of the City Purchasing Agent, it is impractical for bidder to include published price lists as part of this bid and to furnish any price lists and/or written changes as required herein, bidder shall permit the Purchasing Agent or his authorized representatives to inspect the pertinent published price lists and/or written changes in the office of the bidder or at any other location approved by both parties.

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However, if the City Purchasing Agent approves said price list(s) other than the manufacturer's price list(s), said price list(s) must denote the company name, effective date and price schedule. It is agreed that any price list provided other than the manufacturers may not be superseded or replaced during the contract period.

19.9 Bids for parts exceeding the suggested retail price will be rejected.

20.0 Specifications

Contractor's facility must have adequate security and storage to provide appropriate protection during the time the vehicles are in possession of the contractor. Contractor is responsible in all matters for City of Laredo vehicles in their possession. Damages due to neglect or abuse of vehicles and equipment while in the possession and control of the contractor is the responsibility of the contractor. City of Laredo Fleet personnel may perform a pre-award site visit of Contractor's facility prior to contract award. Outside parts will not have an up-charge in excess of twenty (20%) percent and will not offer a rebate to the contractor. Copies of all prepaid outside charges must be attached to invoices provided with final invoice once repairs are complete.

20.1 Parts by contractor will be billed at the discount noted in the Schedule of Items.

20.2 Invoices:

20.2.1 Must be legible and reference a valid purchase order number.

20.2.2 Must be approved by an appropriate City of Laredo Fleet department representative.

20.2.3 Items billed on invoices must be specific as to applicable stock, manufacturer, catalog or part number.

20.3 City of Laredo personnel may pickup parts from Contractor's facility.

20.4 All parts must be new and best available unless authorized in advance by the Fleet Maintenance representative.

20.5 The manufacturer names, trade names, brand names and products numbers used herein are for the purpose of describing and establishing tested, compatible, approved and acceptable products that are of the type and quality required by the City of Laredo.

20.6 All costs associated with shop supplies, environmental fees, or any other expenses incurred in fulfilling this contract are to be included in the bid price.

21.0 Insurance Requirements

The successful bidder(s) shall furnish the City with original copies of valid insurance policies herein required upon execution of the contract and shall maintain said policies in full force and effect at all times during the term of this contract. Said insurance policies shall comply with all requirements set forth in section 14.0 of these specifications. Contractor(s) shall keep a current certificate of insurance in the City of Laredo Purchasing Division at all times and shall immediately report any changes to the Purchasing Office Administration.

22.0 Award of Contract

This contract will be awarded to the (lowest responsive responsible bidder), in accordance to the provisions of Chapters 252 and 271 of the State of Texas – Local Government Code. This contract will be awarded to the top three lowest bidders.

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PURCHASING DIVISION**

Definition of lowest responsive and responsible bidder as per the Institute for Public Procurement is "*Lowest Responsive and Responsible Bidder: The bidder who fully complied with all of the bid requirements and whose past performance, reputation, and financial capability is deemed acceptable, and who has offered the most advantageous pricing or cost benefit, based on the criteria stipulated in the bid documents.*"

Annual Supply/Service Contract: This contract does not commit the City to purchase the quantities indicated. The quantities are estimates and are based on the best available information. The purpose of this contract is to establish prices for the commodities or services needed, should the City need to purchase these commodities or services. Since the quantities are estimates, the City may purchase more than the estimated quantities, less than the estimated quantities, or not purchase any quantities at all. The needs of the City shall govern the amount that is purchased and change orders shall not be applicable.

22.1 Disclosure of Interested Parties

Section 2252.908 of the Texas Government Code requires a business entity entering into certain contracts with a governmental entity to file with the governmental entity a disclosure of interested parties at the time the business entity submits the signed contract to the governmental entity. Section 2252.908 requires the disclosure form (Form 1295) to be signed by the authorized agent of the contracting business entity, acknowledging that the disclosure is made under oath and under penalty of perjury. Section 2252.908 applies only to a contract that requires an action or vote by the governing body of the governmental entity before the contract may be signed or has a value of at least \$1 million. Section 2252.908 provides definitions of certain terms occurring in the section. Section 2252.908 applies only to a contract entered into on or after Jan. 1, 2016. (Only if awarded contract is approved by City Council). The form must be submitted electronically through the Texas Ethics Commission website. Once the form is submitted and given a unique registration number, the business entity must manually sign the form and have it notarized. The form should be sent to the government entity which will then verify the form on the Texas Ethics Commission website.

23.0 Term of Contract

The term of this contract shall be for a period of one (1) year beginning as of the date of its execution. The contract may be extended for three, additional one (1) year periods. Should the vendor desire to extend the contract for the additional one-year period, it must so notify the City in writing no later than sixty (60) days before the expiration of the prior term. Such notification shall be effective upon actual receipt by the City. Renewals shall be in writing and signed by the City's Purchasing Manager & City Manager or his designee, without further action by the Laredo City Council, subject to and contingent upon appropriation of funding therefore. All annual contracts shall bound by the terms of the bid documents. The City shall also have the right to extend this contract under the same terms and conditions beyond the original term or any renewal thereof, on a month to month basis, not to exceed 3 months. Said month to month extensions shall be in writing, signed by the City's Purchasing Manager & City Manager or his designee, and shall not require City Council approval, subject to and contingent upon appropriation of funding therefore. The City reserves the right to renew or rebid this contract, if the appropriated funds initially approved by City Council are exhausted before the contract expiration date.

23.1 This contract shall be the responsibility of and administered by the vendor and the City of Laredo Fleet Department.

CITY OF LAREDO
PURCHASING DIVISION

24.0 Price Adjustment*****

The City of Laredo will allow unit price adjustments upwardly or downwardly when correlated with an industry wide adjustment. Any request for reasonable price adjustments will be considered. Justification for the requested adjustment on original fixed pricing must have mutual consent from both parties and be supported by appropriate documentation. A written notice stipulating in detail the price revision must be furnished to the City no less than 30 days before revised prices go into effect. Any request for reasonable price adjustments will be considered. Justification for the requested adjustment on original fixed pricing must have mutual consent from both parties and be supported by appropriate documentation. The City will not take action to intentionally delay legitimate manufacturer unit price increases.

The City of Laredo reserves the right to cancel the contract if the price increase is deemed excessive; a new contract vendor will be selected on the basis of competitive bids. Documentation may be emailed to ealdape@ci.laredo.tx.us

25.0 Termination of Contract

Either party will have the right to terminate the contract by giving written notice to the other party at least 1 month before the end of the initial period of the contract or at least 30 days at any point after the end of the initial period. Either party may terminate this contract by written notice to the other at any time if the other party: Commits a breach of this contract and, in the case of a breach capable of remedy, fails to remedy the breach within 10 days of being required to do so in writing; or becomes insolvent, or has a liquidator, receiver, manager or administrative receiver appointed.

26.0 Required Format and Contents of Bid Submission

For a bid to be considered it must contain the following information:

Company Information Questionnaire

Signed Price Schedule

Conflict of Interest Questionnaire

Non-Collusive Affidavit

Discretionary Contract Disclosure

Certificate of Interested Parties (Form 1295)

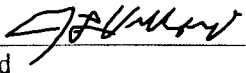
CITY OF LAREDO
PURCHASING DIVISION

27.0 Bidder Information Questionnaire

Bidder Information/Business Questionnaire:
Please complete all information requested below and submit with your bid package

"The undersigned affirms that they are duly authorized to execute this contract, that this company, corporation, firm, partnership or individual has not prepared this bid in collusion with any other bidder, and that the contents of this bid as to prices, terms or conditions of said bid have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this request. By submitting this bid the vendor agrees to the City of Laredo specifications and all terms and conditions stipulated in the proposed document. That I, individually and on behalf of the business named in this Business Questionnaire, do by my signature below, certify that the information provided in the questionnaire is true and correct".

Name of Offeror (Business) South Texas Auto Rebuilders, Inc.

Signature  Date 04/28/2026
of person authorized to sign bid

Print Name Jose L. Villarreal, Jr.
of person authorized to sign bid

Title: President

Business Address: 2720 Guadalupe St.

City, State, Zip Code: Laredo, TX 78043

Telephone Number: 956.723.8711 Fax Number: 956.723.1768

Contact Person Email Address: sotxauto@yahoo.com

Federal Tax ID Number: 74-2611073

Bidders Principal/Corporate Place of Business Address: 2720 Guadalupe St. Laredo, TX 78043

Indicated Status of Business:

Corporation Partnership Sole Proprietorship Other:

If other state business status: _____

State how long under its present business name: 37 years

If applicable, list all other names under which the Business identified above operated in the last five years.

N/A

Will bidder/proposer provide a copy of its financial statements for the last two years, if requested by the City of Laredo? Yes No

CITY OF LAREDO
PURCHASING DIVISION

Has the business, or any officer or partner thereof, failed to complete a contract? Yes No

Is any litigation pending against the Business? Yes No

Is offeror currently for sale or involved in any transaction to expand or to become acquired by another business entity? Yes No
If yes, offer need to explain the expected impact both in organizational and directional terms.

Has the Business ever been declared "not responsive" for the purpose of any governmental agency contract award? Yes No

Has the Business been debarred, suspended, proposed for debarment, suspended, proposed for debarment, declared ineligible, voluntarily excluded, or otherwise disqualified from bidding, proposing, or contracting? Yes No

Are there any proceedings, pending relating to the Business responsibility, debarment, suspension, voluntary exclusion, or qualification to receive a public contract? Yes No

Has the government or other public entity requested or required enforcement of any of its rights under a surety agreement on the basis of default or in lieu of declaring the Business in default? Yes No

Is the Business in arrears in any contract or debt? Yes No

Has the Business been a defaulter, as a principal, surety, or otherwise? Yes No

Have liquidated damages or penalty provisions been assessed against the Business for failure to complete work on time or for any other reason? Yes No

State if company is a certified minority business enterprise:

Historically Underutilized Business (HUB):	Yes <input type="radio"/>	No <input checked="" type="radio"/>	Disadvantaged Business Enterprise (DBE):	Yes <input type="radio"/>	No <input checked="" type="radio"/>
Small Disadvantaged Business Enterprise (SDBC):	Yes <input type="radio"/>	No <input checked="" type="radio"/>	Other: Please specify	<u>minority owned business</u>	

This company is not a certified minority business:

The above minority information is requested for statistical and tracking purposes only and will not influence the amount of expenditure the City will make with any given company

**CITY OF LAREDO
PURCHASING DIVISION**

28.0 Price Schedule

28.1 Section I: TYMCO Street Sweeper Equipment Parts/Service

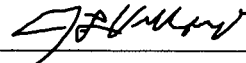
Percent of discount offered	<u>10</u> %
Product identification (Mfr.)	OEM
Type price schedule (dealer, jobber, etc.)	LIST
Price Schedule Number	N/A
Date of price schedule	4/28/2026
Price schedule column on which discount is based (i.e. distributor, net, wholesale)	Discount is taken off of the list price
Labor Rate for Services (Field)	\$ <u>150</u> Per Hour
Labor Rate for Services (Shop)	\$ <u>100</u> Per Hour
Mileage Rate (if any)	\$ <u>0.50</u> Per Mile

Company Name: South Texas Auto Rebuilder's Inc.

Owner/President Name: Jose L. Villarreal, Jr.

Company Address: 2720 Guadalupe St.

City, State, Zip Code: Laredo, TX 78043

Company Authorized Representative's Signature: 

Company Representative's Name: Jose L. Villarreal, Jr.

Signature on this form indicates agreement with "Instructions to Bidder – General Terms and Conditions, pricing and all specifications listed on this document."

CITY OF LAREDO
PURCHASING DIVISION

29.0 Conflict of Interest Disclosure

A form disclosing potential conflicts of interest involving counties, cities, and other local government entities may be required to be filed after January 1, 2006, by vendors or potential vendors to local government entities. The new requirements are set forth in Chapter 176 of the Texas Local Government Code added by H.B. No. 914 of the last Texas Legislature.

Companies and individuals who contract, or seek to contract, with the City of Laredo and its agents may be required to file with the **City Secretary's Office, 1110 Houston Street, Laredo, Texas 78040**, a Conflict of Interest Questionnaire that describes affiliations or business relationships with the City of Laredo officers, or certain family members or business relationships of the City of Laredo officer, with which such persons do business, or any gifts in an amount of \$250.00 or more to the listed City of Laredo officer (s) or certain family members.

The new requirements are in addition to any other disclosures required by law. The dates for filing disclosure statements begin on January 1, 2006. A violation of the filing requirements is a Class C misdemeanor.

The Conflict of Interest Questionnaire (Form CIQ) may be downloaded from http://www.ethics.state.tx.us/whatsnew/conflict_forms.htm.

The City of Laredo officials who come within Chapter 176 of the Local Government Code relating to filing of **Conflicts of Interest Questionnaire (Form CIQ)** include:

1. **Mayor**
2. **Council Members**
3. **City Manager**
4. **Members of the Fire Fighters and Police Officers Civil Service Commission.**
5. **Members of the Planning and Zoning Commission.**
6. **Members of the Board of Adjustments**
7. **Members of the Building Standards Board**
8. **Parks & Leisure Advisory Committee Member,**
9. **Historic District Land Board Member,**
10. **Ethics Commission Board Member,**
11. **The Board of Commissioners of the Laredo Housing Authority**
12. **The Executive Director of the Laredo Housing Authority**
13. **Any other City of Laredo decision making board member**

If additional information is needed please contact the Purchasing Agent at 956-794-1731

**CITY OF LAREDO
PURCHASING DIVISION**

HAVE READ THIS FORM AND ATTEST THAT THERE IS NO CONFLICT OF INTEREST THUS NO VIOLATION OF SECTION 176.006, LOCAL GOVERNMENT CODE EXISTS.

Jose L. Villarreal, Jr.
Name

Signature

4/28/2026
Date

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor or other person doing business with local governmental entity

FORM CIQ

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

OFFICE USE ONLY

Date Received

This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

1 Name of person who has a business relationship with local governmental entity.

South Texas Auto Rebuilders, Inc.

Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3 Name of local government officer with whom filer has employment or business relationship.

N/A

Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire? Yes No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity? Yes No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves an officer or director, or holds an ownership of 10 percent or more? Yes No

D. Describe each employment or business relationship with the local government officer named in this section.

N/A

Signature of person doing business with the governmental entity

Date

31.0



City of Laredo Discretionary Contracts Disclosure

Please fill out this form online, print completed form
and submit with proposal to originating department.

All questions must be answered.

For details on use of this form, see Section 4.01 if the City's Ethics Code.

*This is a New Submission or Correction or Update to previous submission.

***1. Name of person submitting this disclosure form.**

Jose L. Villarreal Jr.
First M.I. Last Suffix

***2. Contract Information.**

a) Contract or Project name(s): RFB 2026-057 TYMCO Street Sweeper Parts/Services

b) Originating Department(s): Fleet Department

***3 Name of individual(s) or entity(ies) seeking a contract with the city (i.e. parties to the contract)**

Jose L. Villarreal, Jr.			
Name (Print)	Signature	Name (Print)	Signature
_____	_____	_____	_____
Name (Print)	Signature	Name (Print)	Signature
_____	_____	_____	_____
Name (Print)	Signature	Name (Print)	Signature
_____	_____	_____	_____
Name (Print)	Signature	Name (Print)	Signature
_____	_____	_____	_____

***4. List any business entity(ies) that is a partner, parent, subsidiary business entity(ies) of the individual or entity listed in Question 3**

Not applicable. Contracting party(ies) does not have partner, parent, or subsidiary business entities.

Name of partner, parent, or subsidiary business entity(ies): _____

CITY OF LAREDO
PURCHASING DIVISION

***5. List any individuals or entities that will be subcontractors on this contract.**

Not applicable. No subcontractors will be retained for this contract.

Subcontractors may be retained, but have not been selected at the time of this submission.

List of subcontractors: _____

***6. List any attorneys, lobbyists, or consultants that have been retained to assist in seeking this contract.**

Not applicable. No attorneys, lobbyists, or consultants that have been retained to assist in seeking this contract.

List of attorneys, lobbyists, or consultants that have been retained to assist in seeking this contract: _____

***7. Disclosure of political contributions.**

List any campaign or officeholder contributions made by the following individuals in the past 24 months totaling more than \$100 to any current member of City Council, former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections.

- a) Any individual seeking contract with the city (Question 3)
- b) Any owner or officer of entity seeking contract with the city (Question 3)
- c) Any individual or owner or officer of any entity listed above as partner, parent, or subsidiary business (Question 4)
- d) Any subcontractor or owner/office of subcontracting entity retained for the contract (Question 5)
- e) The spouse of any individual listed in response to (a) through (d) above
- f) Any attorney, lobbyist, or consultant retained to assist in seeking contract (Question 6)

Not applicable. No campaign or officeholder contributions have been made in the preceding 24 months by these individuals.

List of contributors: N/A

Updates on Contributions Required

Information regarding contributions must be updated by submission of a revised form from the date of the submission of this form, up through the time City Council takes action on the contract identified in response to Question 2 and continuing for 30 calendar days after the contract has been awarded.

***8. Disclosure of conflict of interest**

Are you aware of any fact(s) with regard to this contract that would raise a "conflict of interest" issue under Section 2.01 of the Ethics Code for any City Council member or board/commission member that has not or will not be raised by these city officials?

CITY OF LAREDO
PURCHASING DIVISION

I am not aware of any conflict(s) of interest issues under Section 2.01 of the Ethics Code for members of City Council or a city board/commission.

I am aware of the following conflict(s) of interest: _____

***Acknowledgements**

Updates Required

I understand that this form must be updated by submission of a revised form if there is any change in the information before the discretionary contract is the subject of action by the City Council, and no later than five (5) business days after any changes has occurred, whichever comes first. This include information about political contributions made after the initial submission and up until thirty (30) calendar days after the contract has been awarded.

No Contract with City Officials or Staff during Contract Evaluation

I understand that a person or entity who seeks or applies for a city contract or any other person acting on behalf of that person or entity is prohibited from contracting city officials and employees regarding the contract after a Request for Proposal (RFP), Request for Qualifications (RFQ), or other solicitation has been released.

This no-contract provision shall conclude when the contract is posted as a City of Laredo Council agenda item. If contact is required with city officials or employees, the contact will take place in accordance with procedures incorporated into the solicitation documents. Violation of this prohibited contacts provision set out in Section 2.09 of the Ethics Code by respondents or their agents may lead to disqualification of their offer from consideration.

***Conflict of Interest Questionnaire (CIQ)**

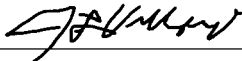
Chapter 176 of the Local Government Code requires contractor and vendors to submit a Conflict of Interest Form (CIQ) to the Office of the City Secretary.

I acknowledge that I have been advised of the requirement to file a CIQ form under Chapter 176 of the Local Government Code.

***Oath**

I swear or affirm that the statements contained in this Discretionary Contracts Disclosure Form, including any attachments, to the best of my knowledge and belief are true, correct, and complete.

Jose L. Villarreal Jr.
Name (Print)


Signature

President
Title

South Texas Auto Rebuilders, Inc.
Company or DBA

4/28/2026
Date

Please fill this form out online, print and submit completed form with proposal to origination department. All questions must be answered. If necessary to mail, send to:

City of Laredo
P.O. Box 579
Laredo, TX 78042-0579

CITY OF LAREDO
PURCHASING DIVISION

32.0 Certificate of Interested Parties (Form 1295)

In an effort to comply with state law the certificate of interested parties must be filled out once a vendor has been granted a contract. All of this information can be found on the State of Texas website, please use this link provided.

<https://www.ethics.state.tx.us/tec/1295-Info.htm>.

Implementation of House Bill 1295

32.1 Certificate of Interested Parties (Form 1295):

In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that a governmental entity or state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency. The law applies only to a contract of a governmental entity or state agency that either (1) requires an action or vote by the governing body of the entity or agency before the contract may be signed or (2) has a value of at least \$1 million. The disclosure requirement applies to a contract entered into on or after January 1, 2016.

The Texas Ethics Commission was required to adopt rules necessary to implement that law, prescribe the disclosure of interested parties form, and post a copy of the form on the commission's website. The commission adopted the Certificate of Interested Parties form (Form 1295) on October 5, 2015. The commission also adopted new rules (Chapter 46) on November 30, 2015, to implement the law. The commission does not have any additional authority to enforce or interpret House Bill 1295.

32.2 Filing Process:

Starting on January 1, 2016, the commission will make available on its website a new filing application that must be used to file Form 1295. A business entity must use the application to enter the required information on Form 1295 and print a copy of the completed form, which will include a certification of filing that will contain a unique certification number. An authorized agent of the business entity must sign the printed copy of the form and have the form notarized. The completed Form 1295 with the certification of filing must be filed with the governmental body or state agency with which the business entity is entering into the contract.

The governmental entity or state agency must notify the commission, using the commission's filing application, of the receipt of the filed Form 1295 with the certification of filing not later than the 30th day after the date the contract binds all parties to the contract. The commission will post the completed Form 1295 to its website within seven business days after receiving notice from the governmental entity or state agency.

Information regarding how to use the filing application will be available on this site starting on January 1, 2016.

Additional Information:

HB 1295

Certificate of Interested Parties (Form 1295)

New Chapter 46, Ethics Commission Rules:

46.1. Application

46.3. Definitions

46.5. Disclosure of Interested Parties Form

CITY OF LAREDO
PURCHASING DIVISION

33.0 Vendors Instructions:

Hand delivered bids will be received at the City Secretary Office, 1110 Houston St., 3rd. floor. Laredo, Texas 78040 until **5:00 P.M on April 30, 2026; and all bids received will be opened and read publicly at 10:00 A.M. at the Office of the City Secretary on May 1, 2026.**

Hand delivered Bids are to be submitted in a sealed envelope clearly marked:

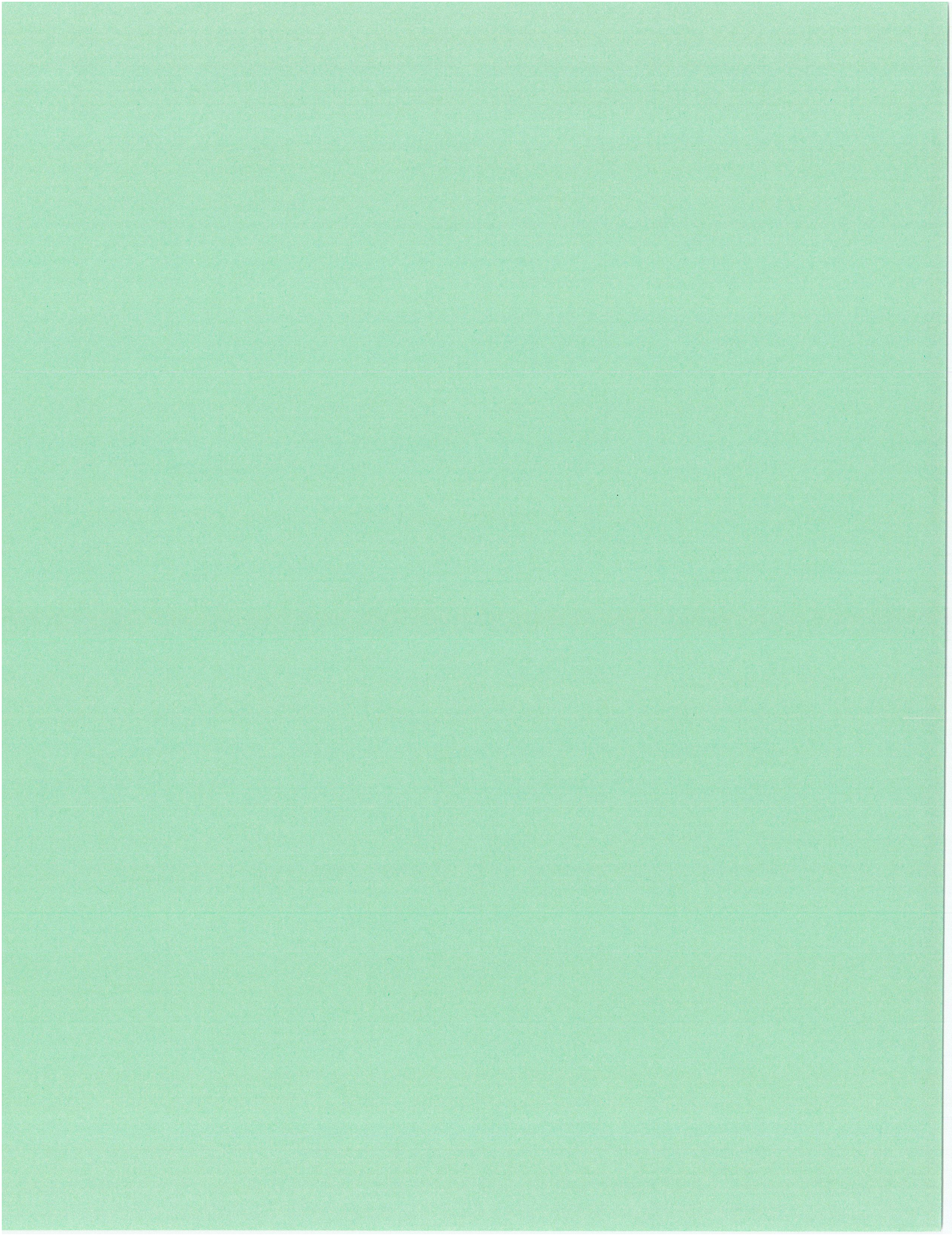
**Bid: TYMCO Street Sweeper Parts/Services – Fleet Department
RFB: 2026-057**

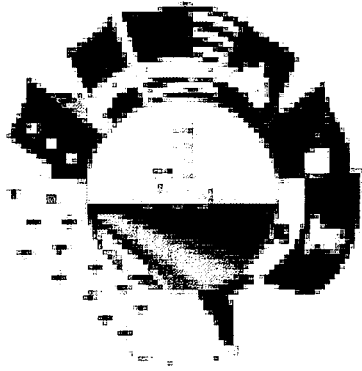
Bids can be downloaded and submitted through Cit-E-Bid: <https://cityoflaredo.ionwave.net/Login.aspx>

or

Hand Delivered:

City of Laredo - City Secretary
C/O Mario I. Maldonado Jr.
City Hall - Third Floor
1110 Houston Street
Laredo, Texas 78040





Laredo

TEXAS

RFB 2026-057

Bone's Custom Cycles Supplier Response

Event Information

Number: RFB 2026-057

Title: RFB 2026-057 TYMCO Street Sweeper Parts/Services – Fleet
Department

Type: Invitation For Bid

Issue Date: 4/8/2026

Deadline: 4/30/2026 05:00 PM (CT)

Notes: The City of Laredo reserves the right to reject any and all bids, and to waive any minor irregularities.

**If the bidder submits both an electronic bid and a properly completed manual bid, the Purchasing Division will use the electronic bid to determine the total bid amount of the bid. If the bidder submits an electronic bid and a manual bid that is not complete, the Purchasing Division will use the electronic bid to determine the total bid amount of the bid. Bid forms

can be downloaded and printed through Cit-E-Bid.
Mailed Proposals (i.e. USPS, FedEx, UPS),
telegraphic, or facsimile proposals will not be
considered. **

Contact Information

Contact: Enrique Aldape III
Address: Purchasing Division
Public Works Service Center
5512 Thomas Avenue
Laredo, TX 78041
Phone: 956 (794) 1733
Fax: 956 (790) 1805
Email: ealdape@ci.laredo.tx.us

Bone's Custom Cycles Information

Contact: Roberto Martinez
Address: P.O. Box 440129
Laredo, TX 78044
Phone: (956) 319-8202
Email: bonemtz@gmail.com

By submitting your response, you certify that you are authorized to represent and bind your company.

Roberto Martinez

Signature

Submitted at 4/20/2026 01:09:41 PM (CT)

bonemtz@gmail.com

Email

Response Attachments

RFB 2026-057 TYMCO Street Sweeper Parts and Services - Fleet Department.pdf

Contents of attachment: Bid documents, Form 1295, CIQ, affidavit

Copy of Policy.pdf

Insurance Policy

Bid Attributes

1	Questionnaire Description "The undersigned affirms that they are duly authorized to execute this contract, that this company, corporation, firm, partnership or individual has not prepared this bid in collusion with any other bidder, and that the contents of this bid as to prices, terms or conditions of said bid have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this request. By submitting this bid the vendor agrees to the City of Laredo specifications and all terms and conditions stipulated in the proposed document. That I, individually and on behalf of the business named in this Business Questionnaire, do by my signature below, certify that the information provided in the questionnaire is true and correct".
2	Name of Offeror (Business) and Name & Phone Number of Authorized Person to sign bid Bone's Custom Cycles, Roberto Martinez, 956-319-8202
3	State how long under has the business been in its present business name 19 years
4	If applicable, list all other names under which the Business identified above operated in the last five years N/A
5	State if the Company is a certified minority business enterprise The below information is requested for statistical and tracking purposes only and will not influence the amount of expenditure the City will make with any given company.

6 Questions Part 1

1) Is any litigation pending against the Business? 2) Has the Business ever been declared "not responsive" for the purpose of any governmental agency contract award? 3) Has the Business been debarred, suspended, proposed for debarment, suspended, proposed for debarment, declared ineligible, voluntarily excluded, or other wise disqualified from bidding, proposing or contracting? 4) Are there any proceedings, pending relating to the Business responsibility, debarment, suspension, voluntary exclusion, or qualification to receive a public contract? 5) Has the government or other public entity requested or required enforcement of any of its rights under a surety agreement on the basis of default or in lieu of declaring the Business at default?

1) No 2) No 3) No 4) No

7 Questions Part 2

1) Is the Business in arrears in any contract or debt? 2) Has the Business been a defaulter, as a principal, surety, or otherwise? 3) Have liquidated damages or penalty provisions been assessed against the Business for failure to complete work on time or any other reason?

1) No 2) No 3) No

8 State if the Company is a certified minority business enterprise

This company is not a certified minority business

9 Conflict of Interest Disclosure

A form disclosing potential conflicts of interest involving counties, cities, and other local government entities may be required to be filed after January 1, 2006, by vendors or potential vendors to local government entities. The new requirements are set forth in Chapter 176 of the Texas Local Government Code added by H.B. No. 914 of the last Texas Legislature. Companies and individuals who contract, or seek to contract, with the City of Laredo and its agents may be required to file with the City Secretary's Office, 1110 Houston Street, Laredo, Texas 78040, a Conflict of Interest Questionnaire that describes affiliations or business relationships with the City of Laredo officers, or certain family members or business relationships of the City of Laredo officer, with which such persons do business, or any gifts in an amount of \$250.00 or more to the listed City of Laredo officer (s) or certain family members. The new requirements are in addition to any other disclosures required by law. The dates for filing disclosure statements begin on January 1, 2006. A violation of the filing requirements is a Class C misdemeanor. The Conflict of Interest Questionnaire (Form CIQ) may be downloaded from http://www.ethics.state.tx.us/whatsnew/conflict_forms.htm. The City of Laredo officials who come within Chapter 176 of the Local Government Code relating to filing of Conflicts of Interest Questionnaire (Form CIQ) include: 1. Mayor 2. Council Members 3. City Manager 4. Members of the Fire Fighters and Police Officers Civil Service Commission. 5. Members of the Planning and Zoning Commission. 6. Members of the Board of Adjustments 7. Members of the Building Standards Board 8. Parks & Leisure Advisory Committee Member, 9. Historic District Land Board Member, 10. Ethics Commission Board Member, 11. The Board of Commissioners of the Laredo Housing Authority 12. The Executive Director of the Laredo Housing Authority 13. Any other City of Laredo decision making board member If additional information is needed please contact Enrique Aldape III, Interim Purchasing Agent at 956-794-1733.

10 Conflict of Interest Questionnaire Form CIQ

For vendor or other person doing business with local governmental entity. This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session. This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a). By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code. A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

11 Conflict of Interest Questionnaire

Vendor is required to submit Conflict of Interest Form for bid to be considered complete. Have you submitted your completed Conflict of Interest Form with your response?

Yes

1 2	Disclosure Form For details on use of this form, see Section 4.01 of the City's Ethics Code.
1 3	This is a <input type="text" value="New Submission"/>
1 4	Question 1. Name of person submitting this disclosure form Please include First Name, Middle Initial, Last Name and Suffix (if applicable) <input type="text" value="Roberto Martinez"/>
1 5	Question 2. Contract Information Please include the following: a)Contract or Project Name b)Originating Department <input type="text" value="a) RFB 2026-057 TYMCO Street Sweeper Parts/Services – Fleet Department"/>
1 6	Question 3. Name of individual(s) or entity(ies) seeking a contract with the city (i.e. parties to the contract) <input type="text" value="Bone's Custom Cycles"/>
1 7	Question 4. List any business entity(ies) that is a partner, parent, subsidiary business entity(ies) of the individual or entity listed in Question 3. <input type="text" value="Not Applicable"/>
1 8	Question 4. List any business entity(ies) that is a partner, parent, subsidiary business entity(ies) of the individual or entity listed in Question 3 If you selected Not Applicable on Question 4, skip this section. If it applies to you, please list the name of partner, parent, or subsidiary business entity(ies) in this section. <input type="text" value="No response"/>
1 9	Question 5. List any individuals or entities that will be subcontractors on this contract <input type="text" value="Not Applicable"/>
2 0	Question 5. List any individuals or entities that will be subcontractors on this contract If you selected Not Applicable on Question 5, please skip this section. If it applies to you, please list subcontractors in this section. <input type="text" value="No response"/>
2 1	Question 6. List any attorneys, lobbyists, or consultants that have been retained to assist in seeking this contract <input type="text" value="Not Applicable"/>
2 2	Question 6. List any attorneys, lobbyists, or consultants that have been retained to assist in seeking this contract If selected Not Applicable on question 6, please skip this section. If it applies to you, please list attorneys, lobbyists, or consultants that have been retained to assist in seeking this contract. <input type="text" value="No response"/>

2 3	<p>Question 7. Disclosure of political contributions</p> <p>List any campaign or officeholder contributions made by the following individuals in the past 24 months totaling more than \$100 to any current member of City Council, former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections. a) Any individual seeking contract with the city (Question 3) b) Any owner of officer of entity seeking contract with the city (Question 3) c) Any individual or owner or officer of any entity listed above as partner, parent, or subsidiary business (Question 4) d) Any subcontractor or owner/office of subcontracting entity for the contract (Question 5) e) The spouse of any individual listed in response to (a) through (d) above f) Any attorney, lobbyist, or consultant retained to assist in seeking contract (Question 6)</p> <p>Not Applicable</p>
2 4	<p>Question 7. Disclosure of political contributions</p> <p>If you selected Not Applicable on question 7, please skip this section. If it applies to you, please list all contributors in this section.</p> <p>No response</p>
2 5	<p>Updates on contributions required</p> <p>Information regarding contributions must be updated by submission of a revised form from the date of the submission of this form, up through the time City Council takes action on the contracts identified in response to Question 2 and continuing for 30 calendar days after the contract has been awarded.</p>
2 6	<p>Question 8. Disclosure of Conflict of Interest</p> <p>Are you aware of any fact(s) with regard to this contract that would raise a "conflict of interest" issue under Section 2.01 of the Ethics Code for any City Council member or board/commission member that has not or will not be raised by these city officials?</p> <p>I am not aware of any conflict of interest</p>
2 7	<p>8. Disclosure of Conflict of Interest</p> <p>If you selected I am aware of conflict of interest is question 8, please list them in this section.</p> <p>No response</p>
2 8	<p>Question 9. Updates Required</p> <p>I understand that this form must be updated by submission of a revised form if there is any change in the information before the discretionary contract is the subject of action by the City Council, and no later than five (5) business days after any changes has occurred, whichever comes first. This include information about political contributions made after the initial submission and up until thirty (30) calendar days after the contract has been awarded.</p> <p><input checked="" type="checkbox"/> I have read and understand this section</p>
2 9	<p>Question 10. No Contact with City Officials or Staff during Contract Evaluation</p> <p>I understand that a person or entity who seeks or applies for city contract or any other person acting on behalf of that person or entity is prohibited from contacting city officials and employees regarding the contract after a Request for Proposal (RFP), Request for Qualifications (RFQ), or other solicitation has been released. This no-contact provision shall conclude when the contract is posted as a City of Laredo Council agenda item. If contact is required with city officials or employees, the contact shall take place in accordance with procedures incorporated into the solicitation documents. Violation of this prohibited contacts provision set out in Section 2.09 of the Ethics Code by respondents or their agents may lead to disqualification of their offer from consideration.</p> <p><input checked="" type="checkbox"/> I have read and understand this section</p>
3 0	<p>Question 11. Conflict of Interest Questionnaire (CIQ)</p> <p>Chapter 176 of the Local Government Code requires contractor and vendors to submit a Conflict of Interest Form (CIQ) to the Office the of City Secretary.</p> <p><input checked="" type="checkbox"/> I have acknowledge that I have been advised</p>

3 1	<p>Question 11. Oath</p> <p>Please complete in this section the required information for your company: 1) Name 2) Title 3) Company or DBA 4) Date</p> <p>1) Roberto Martinez 2) Owner 3) Bone's Custom Cycles 4) 04/20/2026</p>
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3 2	<p>Question 12. Oath</p> <p>I swear or affirm that the statements contained in this Discretionary Contracts Disclosure Form, including any attachments, to the best of my knowledge and belief are true, correct, and complete.</p> <p><input checked="" type="checkbox"/> I swear or affirm information is correct</p>
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3 3	<p>Company Information Questionnaire</p> <p><input checked="" type="checkbox"/> I have completed this section</p>
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3 4	<p>Conflict of Interest Questionnaire</p> <p><input checked="" type="checkbox"/> I have completed this section</p>
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3 5	<p>Non-Collusive Affidavit</p> <p><input checked="" type="checkbox"/> I have completed and included this form</p>
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3 6	<p>Discretionary Contracts Disclosure</p> <p><input checked="" type="checkbox"/> I have completed this section</p>
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3 7	<p>Certificate of Interested Parties (Form 1295)</p> <p>In an effort to comply with state law the certificate of interested parties must be filled out once a vendor has been granted a contract. All of this information can be found on the State of Texas website, please use this link provided, https://www.ethics.state.tx.us/tec/1295-Info.htm. Implementation of House Bill 1295 Certificate of Interested Parties (Form 1295): In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that a governmental entity or state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency. The law applies only to a contract of a governmental entity or state agency that either (1) requires an action or vote by the governing body of the entity or agency before the contract may be signed or (2) has a value of at least \$1 million. The disclosure requirement applies to a contract entered into on or after January 1, 2016. The Texas Ethics Commission was required to adopt rules necessary to implement that law, prescribe the disclosure of interested parties form, and post a copy of the form on the commission's website. The commission adopted the Certificate of Interested Parties form (Form 1295) on October 5, 2015. The commission also adopted new rules (Chapter 46) on November 30, 2015, to implement the law. The commission does not have any additional authority to enforce or interpret House Bill 1295. Filing Process: Starting on January 1, 2016, the commission will make available on its website a new filing application that must be used to file Form 1295. A business entity must use the application to enter the required information on Form 1295 and print a copy of the completed form, which will include a certification of filing that will contain a unique certification number. An authorized agent of the business entity must sign the printed copy of the form and have the form notarized. The completed Form 1295 with the certification of filing must be filed with the governmental body or state agency with which the business entity is entering into the contract. The governmental entity or state agency must notify the commission, using the commission's filing application, of the receipt of the filed Form 1295 with the certification of filing not later than the 30th day after the date the contract binds all parties to the contract. The commission will post the completed Form 1295 to its website within seven business days after receiving notice from the governmental entity or state agency. Information regarding how to use the filing application will be available on this site starting on January 1, 2016. Additional Information: HB 1295 Certificate of Interested Parties (Form 1295) New Chapter 46, Ethics Commission Rules: 46.1. Application 46.3. Definitions 46.5. Disclosure of Interested Parties Form In order to comply with state law the Certificate of Interested Parties (Form 1295) must be submitted to the Texas Ethics Commission within 10 days upon receiving notice of award of contract. This form must be submitted within the allotted time otherwise this may result in the cancellation of the contract.</p> <p><input checked="" type="checkbox"/> I will comply with this form</p>
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Terms and Conditions for Request for Bids

TERMS AND CONDITIONS OF INVITATIONS FOR BIDS GENERAL CONDITIONS Bidders are required to submit bids upon the following expressed conditions:

- (a) Bidders shall thoroughly examine the specifications, schedule instructions and other contract documents. Once the award has been made, failure to read all specifications, instructions, and the contract documents, of the City shall not be cause to alter the original contract or for a vendor to requests additional compensation.
- (b) Bidders shall make all investigations necessary to thoroughly inform themselves regarding facilities and locations for delivery of materials and equipment as required by the bid conditions. No pleas of ignorance by the bidder of conditions that exist or that may hereafter exist as a result of failure or omission on the part of the bidder to make the necessary examinations and investigations, or failure to fulfill in every detail the requirements of the contract documents, will be accepted as a basis for varying the requirements of the City or the compensation to the vendor.
- (c) Bidders are advised that City contracts are subject to the all legal requirements provided for in the City Charter and/or applicable City Ordinances, State and Federal Statutes.

1.0 PREPARATION OF BIDS Bids will be prepared in accordance with the following:

- (a) All information required by the bid form shall be furnished. For hand delivered submittals only, the vendor shall print or type the business name and manually sign the schedule. For electronic submittals, this information shall be submitted electronically on Cit-E-Bid system. If vendor submits both manual and electronic bids, the electronic bid will replace the manual bid and shall be considered the only valid bid.
- (b) Unit prices shall be shown and where there is an error in extension of price, the unit price shall govern.
- (c) Alternate bids will not be considered unless authorized by the invitation for bids or any applicable addendum
- (d) Proposed delivery time must be shown and shall include Sundays and holidays
- (e) Bidders will not include Federal taxes or State of Texas limited sales tax in bid prices since the City of Laredo is exempt from payment of such taxes. An exemption certificate will be furnished upon request.
- (f) The City shall pay no costs or other amounts incurred by any entity in responding to this RFB, or as a result of issuance of this RFB.

2.0 DESCRIPTION OF SUPPLIES Any catalog or manufacturer's reference used in describing an item is merely descriptive, and not restrictive, unless otherwise noted, and is used only to indicate type and quality of material. Bidder is required to state exactly what they intend to furnish; otherwise bidder shall be required to furnish the items as specified.

3.0 SUBMISSION OF BIDS

- (a) Bids and changes thereto shall be enclosed in sealed envelopes, properly addressed and to include the date and hour of the bid opening and the material or services bid on shall be typed or written on the face of the envelope. If submitted electronically, this information shall be submitted electronically on Cit-E-Bid system by going to the following link: <https://cityoflaredo.ionwave.net/Login.aspx>
- (b) Unless otherwise noted on the Notice to Bidders cover sheet, all hand delivered bids must be submitted to the Office of the City Secretary, City Hall, 1110 Houston Street.
- (c) Bids forms can be downloaded and printed through Cit-E-Bid. **Mailed Bids (i.e. USPS, FedEx, UPS), telegraphic, email or facsimile bids will not be considered.**
- (d) Samples, when required, must be submitted within the time specified, at no expense to the City of Laredo. If not destroyed or used up during testing, samples will be returned upon request at the bidder's expense.
- (e) Bids must be valid for a minimum period of sixty (60) days. An extension to hold bid pricing for actual quantity bids may be requested by the City.

4.0 REJECTION OF BIDS The City may reject a bid if:

- (a) Bidder misstates or conceals any material fact in the bid.
- (b) Bid does not strictly conform to the law or the requirements of the bid.
- (c) Bidder is in arrears on existing contracts or taxes with the City of Laredo.
- (d) If bids are conditional. Bidder may qualify their bid for acceptance by the City on an "ALL OR NONE" basis. An "ALL OR NONE" basis bid must include all items in the specifications.
- (e) In the event that a bidder is delinquent in the payment of City taxes on the day the bids are opened, including state and local taxes, such fact shall constitute grounds for rejection of the bid or cancellation of the contract. A bidder is considered delinquent, regardless of any contract or agreed judgments to pay such delinquent taxes.
- (f) No bid submitted herein shall be considered unless the bidder warrants that, upon execution of a contract with the City of Laredo, bidder will not engage in employment practices such as discriminating against employees because of race, color, sex, creed, or national origin. Bidder will submit such reports as the City may therefore require assuring compliance with said practices.
- (g) The City may reject all bids or any part of a bid whenever it is deemed necessary.
- (h) The City may waive any minor informalities or irregularities in any bid.

5.0 WITHDRAWAL OF BIDS Bids may not be withdrawn after they have been publicly opened, unless approved by the City Council.

6.0 LATE BIDS OR MODIFICATIONS Bids and modifications received after the time set for the bid deadline will not be considered. Late bids will be returned to the bidder unopened.

7.0 CLARIFICATION OR OBJECTION TO BID SPECIFICATIONS If any person contemplating submitting a bid for this contract is in doubt as to the true meaning of the specifications, or other bid documents or any part thereof, they may submit to the City Purchasing Agent on or before seven (7) calendar days prior to the scheduled bid deadline a request for clarification which must be submitted in writing through email seven (7) days prior to the scheduled date for opening to: CITY OF LAREDO PURCHASING AGENT Jaime Zapata 5512, Thomas Ave, Laredo, TX 78041; email: jezapata@ci.laredo.tx.us or Questions & Responses section on Cit-E-Bid system. Any vendor submitting questions shall make reference to a specific bid number, section, page and item of this solicitation. In case there are changes, additions, and/or edits to the original scope of work, and addendum will be issued by the purchasing agent to all vendors through Cit-E-Bid system under Questions and Responses section to clarify any inquiries. The City will not be responsible for any other explanations or interpretations of the proposed bid made or given prior to the bid opening or award of contract.

(a) Protest Procedures: The purpose of this procedure is to establish procedures whereby a vendor may protest specific procurement actions by the City of Laredo. The following sequence of activities must take place in filing a protest:

(b) To be performed by protesting vendor: Within ten (10) days prior to the time that the City Council considers the recommendation of the City's Purchasing Officer, the protesting vendor must provide written protest to the City Purchasing Officer. Such protest must include specific reasons for the protest.

(c) To be performed by City's Purchasing Officer: Shall review the records of procurement and determine legitimacy and procedural correctness. With five (5) working days, the City Purchasing Officer shall provide written response to the protesting vendor of the decision.

(d) If the protesting vendor is not satisfied with the decision of the City Purchasing Officer, such protesting vendor may appeal to the City Manager of the City of Laredo. If the protesting vendor cannot resolve the issue with the City Manager, he shall be entitled to address his concerns when the City Council of the City of Laredo considers the awarding of the contract. Such appeal may be made only after exhausting all administrative procedures through the City Manager. All protests must be duly submitted via Certified Mail to: City of Laredo - Purchasing Agent 5512 Thomas Ave. Laredo, Texas 78041.

8.0 BIDDER DISCOUNTS

(a) Percent discounts within a certain period of time will be accepted but cannot be used in the bid evaluation. The period of the discount offered should be sufficient to permit payments within such period in the regular course of business by the City of Laredo.

(b) In connection with any discounts offered, time will be computed from the date of receipt of supplies or service or from the date a correct invoice is received, whichever is the later date. Payment is deemed to be made on the date the check is mailed.

9.0 INTENT OF CONTRACT

a) ANNUAL SUPPLY/SERVICE CONTRACTS: This contract does not commit the City to purchase the quantities indicated. The quantities are estimates and are based on the best available information. The purpose of this contract is to establish prices for the commodities or services needed, should the City need to purchase these commodities or services. Since the quantities are estimates, the City may purchase more than the estimated quantities, less than the estimated quantities, or not purchase any quantities at all. The needs of the City shall govern the amount that is purchased. All annual contracts shall bound by the terms of the bid documents. In the event a new contract cannot be executed on the anniversary date of the original term or renewal term, the contract may be renewed month to month until a new contract is executed. The City's obligation for performance of an annual supply contract beyond the current fiscal year is contingent upon the availability of appropriated funds from which payments for the contract purchases can be made. If no funds are appropriated and budgeted during the next fiscal year, this contract becomes null and void.

10.0 AWARD OF CONTRACT

(a) This contract will be awarded to the **(lowest responsive responsible bidder)**, in accordance to the provisions of Chapters 252 and 271 of the State of Texas – Local Government Code. This contract will be awarded to the top three lowest bidders.

Definition of lowest responsive and responsible bidder as per the Institute for Public Procurement is:

"Lowest Responsive and Responsible Bidder: The bidder who fully complied with all of the bid requirements and whose past performance, reputation, and financial capability is deemed acceptable, and who has offered the most advantageous pricing or cost benefit, based on the criteria stipulated in the bid documents."

(b) The City reserves the right to accept any item or group of items in the bid specifications, unless the bidder qualifies it's bid by specific limitation. Proof: The bidder shall bear the burden of proof of compliance with the City of Laredo specifications.

(c) A written award of acceptance (a duly approved purchase order or Letter of Award) furnished by the City to the successful bidder results in a binding contract without further action by either party. These Terms and Conditions

shall be the basis and governing document of the binding contract.

(d) A duly authorize purchase order number shall reference item/services description, item number, quantity and price. Invoices shall reference the assign purchase order number to avoid any duplication (2 CFR 200.318 (d)).

(e) Prices must be quoted F.O.B. Destination, Laredo, Texas, unless otherwise specified in the invitation to bid. The place of delivery shall be that set forth in the bid specifications and/or purchase order.

(f) Title & Risk of Loss: The title and risk of loss of goods shall not pass to the City of Laredo until the City actually receives and takes possession of the goods at the point or points of delivery. The terms of this agreement is "no arrival, no sale".

(g) Delivery time and prompt payment discounts will be considered in breaking ties. In the event of a tie bid, the successful bidder will be determined by choosing lots at the City Council meeting chambers.

(h) The City of Laredo shall give written notice to the contractor (supplier) if any of the following conditions exist:

1. Contractor does not provide materials in compliance with specifications and/or within the time schedule specified in bid.

2. Contractor neglects or refuses to remove materials or equipment which have been rejected by the City of Laredo if found not to comply with the specifications.

3. The contractor makes an unauthorized assignment for the benefit of any contractor.

Upon receiving written notification from the City that one of the above conditions has occurred, the contractor must remedy the problem within ten (10) calendar days, to the complete satisfaction of the City, or the contract will be immediately canceled.

4. Contract terms are the responsibility of the awarded vendor(s) and the respective City user department(s).

11.0 ENTIRE AGREEMENT

(a) All covenants, conditions and agreement contained in the solicitation, are hereby made part of the Agreement to the same extent and with the force as is fully set forth herein. If and to the extent of this Agreement and the terms of this solicitation and supplier response conflict Terms & Conditions of this solicitation shall control.

12.0 PAYMENT & INVOICING

(a) All invoices to the City of Laredo have a 30 day term from receipt of supplies or completion of services.

(b) Discount terms will be computed from the date of receipt and acceptance of supplies or services. Payment shall be deemed to be made from that date.

(c) All invoices must show the purchase order number and invoices shall be legible. Items billed on invoices should be specific as to applicable stock, manufacturer catalog or part number. All items must show unit prices. If prices are based on discounts from list, then list prices must appear on bid schedule. All invoices shall be mailed to the Accounts Payable Office, City Hall, and PO. Box 210, Laredo, Texas 78042.

(d) The City of Laredo offers electronic funds transfer (ETF) payments in lieu of check payment when a vendor has filled out an Electronic Funds Transfer Authorization Form issued by the City of Laredo or upon request from the vendor. This ensures prompt payment directly deposited to a bank account. The estimated payment time is up fifteen (15) days from the date payment is processed. (e) For any inquires on payment status or general billing questions please contact: Jorge J. Jolly, Accounts Payable Manager 956-791-7328 jjolly@ci.laredo.tx.us 1110 Houston St. Laredo, TX 78040.

13.0 In accordance to State of Texas, the City of Laredo follows State practices when awarding any and all competitive solicitations:

TEXAS ENGINEERING AND LAND SURVEYING PRACTICE ACTS AND RULES CONCERNING PRACTICE AND LICENSURE

OCCUPATIONS CODE TITLE 6. REGULATION OF ENGINEERING, ARCHITECTURE, LAND SURVEYING, AND RELATED PRACTICES SUBTITLE A. REGULATION OF ENGINEERING AND RELATED PRACTICES CHAPTER 1001. TEXAS BOARD OF PROFESSIONAL ENGINEERS AND LAND SURVEYORS

CHAPTER 137: COMPLIANCE AND PROFESSIONALISM

SUBCHAPTER C: PROFESSIONAL CONDUCT AND ETHICS

§137.53 ENGINEER STANDARDS OF COMPLIANCE WITH PROFESSIONAL SERVICES PROCUREMENT ACT

(a) A licensed engineer shall not submit or request, orally or in writing, a competitive bid to perform professional engineering services for a governmental entity unless specifically authorized by state law and shall report to the board any requests from governmental entities and/or their representatives that request a bid or cost and/or pricing information or any other information from which pricing or cost can be derived prior to selection based on demonstrated competence and qualifications to perform the services. (b) For the purposes of this section, competitive bidding to perform engineering services includes, but is not limited to, the submission of any monetary cost information in the initial step of selecting qualified engineers.

Cost information or other information from which cost can be derived must not be submitted until the second step of negotiating a contract at a fair and reasonable cost. (c) This section does not prohibit competitive bidding in the private sector. Source Note: The provisions of this §137.53 adopted to be effective May 20, 2004, 29 TexReg 4878; amended to be effective June 4, 2007, 32 TexReg 2996.

I Agree to the Terms and Conditions

Insurance Terms and Conditions**INSURANCE REQUIREMENTS**

If and when applicable or required by the contract, the successful bidder(s) shall furnish the City with original copies of valid insurance policies herein required upon execution of the contract and shall maintain said policies in full force and effect at all times throughout the term of this contract.

- (a) Commercial General Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence and \$2,000,000 general aggregate for bodily injury and property damage, which coverage shall include products/completed operations (\$1,000,000 products/completed operations aggregate) and XCU (Explosion, Collapse, Underground) hazards. Coverage must be written on an occurrence form. Contractual Liability must be maintained covering the Contractors obligations contained in the contract. The general aggregate limit must be at least two (2) times the each occurrence limit.
- (b) Workers Compensation insurance at statutory limits, including Employers Liability coverage a minimum limits of \$1,000,000 each-occurrence each accident/\$1,000,000 by disease each-occurrence/\$1,000,000 by disease aggregate.
- (c) Commercial Automobile Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence for bodily injury and property damage, including owned, non-owned, and hired car coverage.
- (d) Professional Liability, Errors & Omissions coverage, with minimum limits of \$1,000,000 per claim/ \$2,000,000 annual aggregate. This coverage must be maintained for at least two years after the project is completed. If coverage is written on a claims-made basis, a policy retroactive date equivalent to the inception date of the contract (or earlier) must be maintained during the full term of the contract.
- (e) Any Subcontractor(s) hired by the Contractor shall maintain insurance coverage equal to that required of the Contractor. It is the responsibility of the Contractor to assure compliance with this provision. The City of Laredo accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor.
- (f) A Comprehensive General Liability insurance form may be used in lieu of a Commercial General Liability insurance form. In this event, coverage must be written on an occurrence basis, at limits of \$1,000,000 each-occurrence, combined single limit, and coverage must include a broad form Comprehensive General Liability Endorsement, products/completed operations, XCU hazards, and contractual liability.
- (g) With reference to the foregoing insurance requirement, Contractor shall specifically endorse applicable insurance policies as follows:
1. The City of Laredo shall be named as an additional insured with respect to General Liability and Automobile Liability.
 2. All liability policies shall contain no cross-liability exclusions or insured versus insured restrictions.
 3. A waiver of subrogation in favor of the City of Laredo shall be contained in the Workers compensation, and all liability policies.
 4. All insurance policies shall be endorsed to require the insurer to immediately notify The City of Laredo of any material change in the insurance coverage.
 5. All insurance policies shall be endorsed to the effect that The City of Laredo will receive at least sixty- (60) days' notice prior to cancellation or non-renewal of the insurance.
 6. All insurance policies, which name The City of Laredo as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.
 7. Required limits may be satisfied by any combination of primary and umbrella liability insurances.
 8. Contractor may maintain reasonable and customary deductibles, subject to approval by The City of Laredo.
 9. Insurance must be purchased from insurers that are financially acceptable to the City of Laredo. Insurer must be rated A- or greater by AM Best Rating with an admitted carrier licensed by the Texas Department of Insurance.
- (h) All insurance must be written on forms filed with and approved by the Texas Department of Insurance. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting the following:
1. Sets forth all endorsements and insurance coverage's according to requirements and instructions contained herein.
 2. Shall specifically set forth the notice-of-cancellation or termination provisions to The City of Laredo.

- (i) Upon request, Contractor shall furnish The City of Laredo with certified copies of all insurance policies.
- (j) Certificates of insurance are always subject to review and approval from the City of Laredo Risk Management.
- (k) Specialty certificates and licenses must be inspected and verified for accuracy and validity before award of contract.
- (l) Awarded vendor is required to maintain current and active all: certifications, licenses, permits and/or insurance coverages, required to perform work, throughout the duration of this project/contract.

NON-CONSTRUCTION BIDS:

Insurance Requirements

The successful bidder(s) shall furnish the City with a Certificate of Insurance herein required upon execution of the contract and shall maintain said policies in full force and effect at all times during the term of this contract.

(a) Commercial General Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence and \$2,000,000 general aggregate for bodily injury and property damage, Coverage must be amended to provide for an each-project aggregate limit of insurance. An alternative would be to have separate limits for all lines of General Liability coverage for each project.

(b) Workers Compensation insurance at statutory limits, including Employers Liability coverage a minimum limit of \$1,000,000 each-occurrence each accident/\$1,000,000 by disease each-occurrence/\$1,000,000 by disease aggregate.

(c) Commercial Automobile Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence for bodily injury and property damage, including owned, non- owned, and hired car coverage.

(d) Any Subcontractor(s) hired by the Contractor shall maintain insurance coverage equal to that required of the Contractor. It is the responsibility of the Contractor to assure compliance with this provision. The City of Laredo accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor. The independent subcontractor performing onsite labor will extend completed operations to additional insured parties.

(e) A Comprehensive General Liability insurance form may be used in lieu of a Commercial General Liability insurance form. In this event, coverage must be written on an occurrence basis, at limits of \$1,000,000 each-occurrence, combined single limit, and coverage must include a broad form Comprehensive General Liability Endorsement.

(f) With reference to the foregoing insurance requirement, Contractor shall specifically endorse applicable insurance policies as follows:

1. The City of Laredo shall be named as a primary and non-contributory additional insured with respect to General Liability and Automobile Liability. The additional insured for General Liability shall include operations and completed operations. Completed operation are to be kept in force for a period of 10 years.
2. All liability policies shall contain no cross-liability exclusions or insured versus insured restrictions.
3. A waiver of subrogation in favor of the City of Laredo shall be contained in the Workers compensation, and all liability policies.
4. All insurance policies shall be endorsed to require the insurer to immediately notify The City of Laredo of any material change in the insurance coverage.
5. All insurance policies shall be endorsed to the effect that The City of Laredo will receive at least sixty- (60) days' notice prior to cancellation or non-renewal of the insurance.
6. All insurance policies, which name The City of Laredo as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.
7. Required limits may be satisfied by any combination of primary and umbrella liability insurances.
8. Contractor may maintain reasonable and customary deductibles, subject to approval by The City of Laredo.
9. Insurance must be purchased from insurers that are financially acceptable to the City of Laredo. Insurer must be rated A- or greater by AM Best Rating with an admitted carrier licensed by the Texas Department of Insurance.

(g) All insurance must be written on forms filed with and approved by the Texas Department of Insurance. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and

shall contain provisions representing and warranting the following:

1. Sets forth all endorsements and insurance coverages according to requirements and instructions contained herein.
2. Certificates of insurance shall be accompanied by a copy of each required endorsement including the notice of cancellation or termination provisions to the City of Laredo for each required type of insurance.

(h) Upon receipt of a verified claim and at the request of the City of Laredo, Contractor shall furnish The City of Laredo with certified copies of all required insurance policies.

CONSTRUCTION BIDS:

INSURANCE REQUIREMENTS

When required and specified in the City of Laredo bid specifications, the successful bidder(s) shall furnish the City with Certificate of Insurance herein required upon execution of the contract and shall maintain said policies in full force and effect at all times during the term of this contract.

(i) Commercial General Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence and \$2,000,000 general aggregate for bodily injury and property damage, which coverage shall include products/completed operations (\$1,000,000 products/ completed operations aggregate), and XCU (Explosion, Collapse, Underground) hazards. Coverage for products/completed operations must be maintained for at least two (2) years after the construction work has been completed. Coverage must be amended to provide for an each-project aggregate limit of insurance. An alternative would be to have separate limits for all lines of General Liability coverage for each project.

(j) Workers Compensation insurance at statutory limits, including Employers Liability coverage a minimum limit of \$1,000,000 each-occurrence each accident/\$1,000,000 by disease each-occurrence/\$1,000,000 by disease aggregate.

(k) Commercial Automobile Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence for bodily injury and property damage, including owned, non- owned, and hired car coverage.

(l) Any Subcontractor(s) hired by the Contractor shall maintain insurance coverage equal to that required of the Contractor. It is the responsibility of the Contractor to assure compliance with this provision. The City of Laredo accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor. The independent subcontractor performing onsite labor will extend completed operations to additional insured parties.

(m) A Comprehensive General Liability insurance form may be used in lieu of a Commercial General Liability insurance form. In this event, coverage must be written on an occurrence basis, at limits of \$1,000,000 each-occurrence, combined single limit, and coverage must include a broad form Comprehensive General Liability Endorsement, products/completed operations, XCU hazards, and contractual liability.

(n) With reference to the foregoing insurance requirement, Contractor shall specifically endorse applicable insurance policies as follows:

1. The City of Laredo shall be named as a primary and non-contributory additional insured with respect to General Liability and Automobile Liability. The additional insured for General Liability shall include operations and completed operations. Completed operation are to be kept in force for a period of 10 years.
2. All liability policies shall contain no cross-liability exclusions or insured versus insured restrictions.
3. A waiver of subrogation in favor of the City of Laredo shall be contained in the Workers compensation, Builders Risk, and all liability policies. 13. All insurance policies shall be endorsed to require the insurer to immediately notify The City of Laredo of any material change in the insurance coverage.
4. All insurance policies shall be endorsed to the effect that The City of Laredo will receive at least sixty- (60) days' notice prior to cancellation or non-renewal of the insurance.
5. All insurance policies, which name The City of Laredo as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.
6. Required limits may be satisfied by any combination of primary and umbrella liability insurances.
7. Contractor may maintain reasonable and customary deductibles, subject to approval by The City of Laredo.
8. Insurance must be purchased from insurers that are financially acceptable to the City of Laredo. Insurer must be rated A- or greater by AM Best Rating with an admitted carrier licensed by the Texas Department of Insurance.

(o) All insurance must be written on forms filed with and approved by the Texas Department of Insurance.

Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting the following:

1. Sets forth all endorsements and insurance coverages according to requirements and instructions contained herein.
2. Certificates of insurance shall be accompanied by a copy of each required endorsement including the notice of cancellation or termination provisions to the City of Laredo for each required type of insurance.

(p) Upon receipt of a verified claim and at the request of the City of Laredo, Contractor shall furnish The City of Laredo with certified copies of all required insurance policies.

I agree my insurance meets minimum requirements

4 0 **Disqualification & Debarment Certification**

DISQUALIFICATION & DEBARMENT CERTIFICATION By submitting this request for bids, proposal or statement of qualifications, the firm certifies that it is not currently debarred or eligible for debarment from the City of Laredo pursuant to **Ordinance No. 2017-O-098**, and that it is not an agent of a person or entity that is currently debarred from receiving contracts from any political subdivision or agency of the State of Texas. The City will further verify debarment status through use of the federal website SAM.gov. The contract parties are further prohibited from making any award at any tier to any party that is debarred or suspended or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549, "Debarment and Suspension."

By executing this agreement, the Engineer certifies that it is not currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549. The parties to this contract shall require any party to a subcontract or purchase order awarded under this contract to certify its eligibility to receive Federal funds and, when requested by the City, to furnish a copy of the certification. Additionally, in accordance with Chapter 2270, Texas Government Code, a governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract.

The signatory executing this contract on behalf of company verifies that the company does not boycott Israel and will not boycott Israel during the term of this contract. S.B. 252 (V. Taylor/S. Davis) is a bill relating to government contracts with terrorists. The bill provides that: (1) a governmental entity, including a city, may not enter into a governmental contract with a company that is identified on a list prepared and maintained by the comptroller and that does business with Iran, Sudan, or a foreign terrorist organization; and (2) a company that the United States government affirmatively declares to be excluded from its federal sanctions regime relating to Sudan, its federal sanctions regime relating to Iran, or any federal sanctions regime relating to a foreign terrorist organization is not subject to the contract prohibition under the bill.

I certify to the terms and conditions

4
1

Contract Requirements

1. CODE OF ETHICS ORDINANCE Vendors doing business with the City of Laredo shall comply with all provisions of the City of Laredo's Code of Ethics (Ordinance, as amended). Vendors may be required to participate in Code of Ethics trainings.

1.2 PROHIBITED CONTACTS DURING CONTRACT SOLICITATION PERIOD A person or entity who seeks or applies for a city contract or any other person acting on behalf of such person or entity, is prohibited from contacting city officials and employees regarding such a contract after a Formal Bid, Request for Proposal (RFP), Request for Qualification (RFQ) or other solicitation has been released. This no-contact provision shall conclude when the contract is awarded. The City of Laredo reserves the right to contact respondents and may require such contact as part of the evaluation process (for presentation, clarification) of bids and/or negotiation of RFP submittal(s) prior to the award of contract. If contact is required, such contact will be done in accordance with provisions of Chapter 252 and 271 of the Texas Local Government Code and procedures incorporated into the solicitation document. Violation of this provision by respondents or their agents may lead to disqualification of their offer from consideration.

1.3 NON-COLLUSIVE AFFIDAVIT (Form can be downloaded and submitted through Cit-E-Bid system) The City may require that vendors submit a Non-Collusive Affidavit. The vendor will be required to state that the party submitting a proposal or bid, that such proposal or bid is genuine and not collusive or sham; that said Bidder has not colluded, conspired, connived or agreed, directly or indirectly, with any Bidder or Person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price or affiant or of any other Bidder, or to fix any overhead, profit or cost element of said bid price, or of that of any other Bidder, or to secure any advantage against the City of Laredo or any person interested in the proposed contract; and that all statements in said proposal or bid are true.

1.4 CONTRACT DISCLOSURE FORMS (This is submitted through Cit-E-Bid system) The City of Laredo requires the following forms to be completed as a part of this bid for consideration; 1. Company Information Questionnaire, 2. Signed Price Schedule, 3. Conflict of Interest Questionnaire, 4. Non-Collusive Affidavit 5. Discretionary Contracts Disclosure 6. Certificate of Interested Parties (Form 1295) ****Upon Award of RFP Only****

1.5 CONFLICT OF INTEREST FORMS (This is submitted through Cit-E-Bid system) Conflict of Interest Disclosure: A form disclosing potential conflicts of interest involving counties, cities, and other local government entities may be required to be filed after January 1, 2006, by vendors or potential vendors to local government entities. The new requirements are set forth in Chapter 176 of the Texas Local Government Code added by H.B. No. 914 of the last Texas Legislature.

1.6 TEXAS ETHICS COMMISSION (Form 1295, Form can be downloaded and submitted through Cit-E-Bid system) Certificate of Interested Parties (Form 1295) Implementation of House Bill 1295: In an effort to comply with state law the certificate of interested parties must be filled out once a vendor has been granted a contract. All of this information can be found on the state of Texas website, please use this link provided, <https://www.ethics.state.tx.us/tec/1295-info.htm>. In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that a governmental entity or state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency. The law applies only to a contract of a governmental entity or state agency that either (1) requires an action or vote by the governing body of the entity or agency before the contract may be signed or (2) has a value of at least \$1 million. The disclosure requirement applies to a contract entered into on or after January 1, 2016. In order to comply with state law the Certificate of Interested Parties (Form 1295) must be submitted to the Texas Ethics Commission within 10 days upon receiving notice of award of contract. This form must be submitted within the allotted time otherwise this may result in the cancellation of the contract.

Changes to Form 1295:

Changes to the law requiring certain businesses to file a Form 1295 are in effect for contracts entered into or amended on or after January 1, 2018. The changes exempt businesses from filing a Form 1295 for certain types of contracts and replace the need for a completed Form 1295 to be notarized. Instead, the person filing a 1295 needs to complete an "unsworn declaration."

I have read and understand this section

4 **Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)**
2 **Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)**
 Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.
 I have read and understand this section

4 **Ordinance 2018-O-175**
3 The City of Laredo has established a local vendor preference ordinance 2018-O-175. All informal and formal Requests for bids for contracts will be evaluated with a 5% preference for local vendors.
 Bone's Custom Cycles is a local vendor.

4 **Addendum**
4 The City of Laredo reserves the right to issue addenda to solicitations as necessary. Addenda are used to clarify, revise, or otherwise modify solicitation documents. All submitting parties are responsible for acknowledging receipt of each addendum issued. Failure to acknowledge any issued addendum will result in the submission being returned and considered incomplete.

Important Notice:

- Addendum notifications will be sent to the email address associated with each submission.
- It is the submitting party's responsibility to monitor the provided email address and ensure that all addenda are received and acknowledged.
- Failure to acknowledge any issued addendum will result in the submission being returned and considered incomplete.

Acknowledge

Bid Lines

1 **Package Header**

Section I: TYMCO Street Sweeper Captive New Parts/Service

Quantity: 1 UOM: PKG Total:

Item Notes:

Package Items

1.1 Percent of Discount Offered

Quantity: 1 UOM: EA Total:

1.2 Labor Rate for Services (Field)

Quantity: 1 UOM: Hourly Rate Price: Total:

1.3 Labor Rate for Services (Shop)

Quantity: 1 UOM: Hourly Rate Price: Total:

1.4 Mileage Rate (if any)

Quantity: 1 UOM: Mile Rate Price: Total:

Supplier Notes:

Response Total: \$161.00

CITY OF LAREDO
PURCHASING DIVISION



**CITY OF LAREDO
FINANCE DEPARTMENT
PURCHASING DIVISION
FORMAL INVITATION FOR BIDS**

**TYMCO STREET SWEEPER PARTS/SERVICE
FLEET DEPARTMENT**

Public Notice

Notice is hereby given that the City of Laredo is now accepting sealed bids, subject to the Terms and Conditions of this Invitation for Bids and other contract provisions, for awarding a one-year contract for the supply of OEM captive parts and repair service of TYMCO street sweeper equipment for the Fleet Department. The City of Laredo strongly encourages electronic bid submissions through Cit-E-Bid, which is the preferred method for bid delivery. Electronic submissions help ensure timely receipt and efficient processing. While electronic submission is preferred, hand-delivered bids will also be accepted. If submitting in person, bids will also be received at City Hall. Copies of the specifications may be obtained from the Finance Department – Purchasing Division, 5512 Thomas Ave., Laredo, Texas 78041 or by downloading from our website: www.cityoflaredo.com or through Cit-E-Bid: <https://cityoflaredo.ionwave.net/Login.aspx> Hand delivered bids will be received at the City Secretary Office, 1110 Houston St., 3rd. floor, Laredo, Texas 78040 until **5:00 P.M on April 30, 2026; and all bids received will be opened and read publicly at 10:00 A.M. at the Office of the City Secretary on May 1, 2026.**

Hand delivered bids are to be submitted in a sealed envelope clearly marked:

**Bid: TYMCO Street Sweeper OEM Parts/Services – Fleet Department
RFB: 2026-057**

Electronic bid submission: Specifications may be accessed and submitted through Cit-E-Bid: https://cityoflaredo.ionwave.net/Login.aspx	Hand-delivered bids are to be submitted in a sealed envelope clearly marked: City of Laredo – City Secretary C/O Mario I Maldonado Jr. City Hall – Third Floor 1110 Houston Street Laredo, Texas 78040
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The City of Laredo reserves the right to reject any and all bids, and to waive any minor irregularities.

**If the bidder submits both an electronic bid and a properly completed manual bid, the Purchasing Division will use the electronic bid to determine the total bid amount of the bid. If the bidder submits an electronic bid and a manual bid that is not complete, the Purchasing Division will use the electronic bid to determine the total bid amount of the bid. Bid forms can be downloaded and printed through Cit-E-Bid. Mailed Proposals (i.e. USPS, FedEx, UPS), telegraphic, or facsimile proposals will not be considered. **

CITY OF LAREDO
PURCHASING DIVISION



City of Laredo
Purchasing Division
Notice to Bidders

REC'D CITY SEC OFF
APR 8 2026 8:52

Notice is hereby given that the City of Laredo is now accepting sealed bids, subject to the Terms and Conditions of this Request for Bids and other contract provisions, for awarding a one-year contract for the supply of captive parts and repair service of TYMCO street sweeper equipment for the Fleet Department. The City of Laredo strongly encourages electronic bid submissions through Cit-E-Bid, which is the preferred method for bid delivery. Electronic submissions help ensure timely receipt and efficient processing. While electronic submission is preferred, hand-delivered bids will also be accepted. If submitting in person, bids will also be received at City Hall. Copies of the specifications may be obtained from the Finance Department – Purchasing Division, 5512 Thomas Ave., Laredo, Texas 78041 or by downloading from our website: www.cityoflaredo.com or through Cit-E-Bid: <https://cityoflaredo.ionwave.net/Login.aspx> Hand delivered bids will be received at the City Secretary Office, 1110 Houston St., 3rd. floor, Laredo, Texas 78040 until 5:00 P.M on April 30, 2026; and all bids received will be opened and read publicly at 10:00 A.M. at the Office of the City Secretary on May 1, 2026.

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Bid: TYMCO Street Sweeper Parts/Services – Fleet Department
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Electronic bid submission:

Specifications may be accessed and submitted

through Cit-E-Bid:

<https://cityoflaredo.ionwave.net/Login.aspx>

Hand-delivered bids are to be submitted in a seal envelope clearly marked:

City of Laredo – City Secretary
C/O Mario I. Maldonado Jr.
City Hall – Third Floor
1110 Houston Street
Laredo, Texas 78040

Vendors/contractors submitting hand-delivered bids to the City Secretary's Office on the due date must allow sufficient time for check-in at the City Hall reception desk. The City is not responsible for any delays caused by the check-in process. Bids will not be accepted after the specified deadline, regardless of circumstances. Please plan accordingly to ensure timely submission. The City of Laredo reserves the right to reject any and all proposals, and to waive any minor irregularities.

WITNESS MY HAND AND SEAL, ON THIS 8th DAY OF APRIL 2026.

for

Mario I. Maldonado Jr.
City Secretary

CITY OF LAREDO
PURCHASING DIVISION

TERMS AND CONDITIONS OF INVITATIONS FOR BIDS GENERAL CONDITIONS

Bidders are required to submit bids upon the following expressed conditions:

(a) Bidders shall thoroughly examine the specifications, schedule instructions and other contract documents. Once the award has been made, failure to read all specifications, instructions, and the contract documents, of the City shall not be cause to alter the original contract or for a vendor to requests additional compensation.

(b) Bidders shall make all investigations necessary to thoroughly inform themselves regarding facilities and locations for delivery of materials and equipment as required by the bid conditions. No pleas of ignorance by the bidder of conditions that exist or that may hereafter exist as a result of failure or omission on the part of the bidder to make the necessary examinations and investigations, or failure to fulfill in every detail the requirements of the contract documents, will be accepted as a basis for varying the requirements of the City or the compensation to the vendor.

(c) Bidders are advised that City contracts are subject to the all legal requirements provided for in the City Charter and/or applicable City Ordinances, State and Federal Statutes.

1.0 PREPARATION OF BIDS Bids will be prepared in accordance with the following:

(a) All information required by the bid form shall be furnished. For hand delivered submittals only, the vendor shall print or type the business name and manually sign the schedule. For electronic submittals, this information shall be submitted electronically on Cit-E-Bid system. If vendor submits both manual and electronic bids, the electronic bid will replace the manual bid and shall be considered the only valid bid.

(b) Unit prices shall be shown and where there is an error in extension of price, the unit price shall govern.

(c) Alternate bids will not be considered unless authorized by the invitation for bids or any applicable addendum

(d) Proposed delivery time must be shown and shall include Sundays and holidays

(e) Bidders will not include Federal taxes or State of Texas limited sales tax in bid prices since the City of Laredo is exempt from payment of such taxes. An exemption certificate will be furnished upon request.

(f) The City shall pay no costs or other amounts incurred by any entity in responding to this RFB, or as a result of issuance of this RFB.

2.0 DESCRIPTION OF SUPPLIES Any catalog or manufacturer's reference used in describing an item is merely descriptive, and not restrictive, unless otherwise noted, and is used only to indicate type and quality of material. Bidder is required to state exactly what they intend to furnish; otherwise bidder shall be required to furnish the items as specified.

3.0 SUBMISSION OF BIDS

(a) Bids and changes thereto shall be enclosed in sealed envelopes, properly addressed and to include the date and hour of the bid opening and the material or services bid on shall be typed or written on the face of the envelope. If submitted electronically, this information shall be submitted electronically on Cit-E-Bid system by going to the following link: <https://cityoflaredo.ionwave.net/Login.aspx>

(b) Unless otherwise noted on the Notice to Bidders cover sheet, all hand delivered bids must be submitted to the Office of the City Secretary, City Hall, 1110 Houston Street.

(c) Bids forms can be downloaded and printed through Cit-E-Bid. **Mailed Bids (i.e. USPS, FedEx, UPS), telegraphic, email or facsimile bids will not be considered.**

(d) Samples, when required, must be submitted within the time specified, at no expense to the City of Laredo. If not destroyed or used up during testing, samples will be returned upon request at the bidder's expense.

(e) Bids must be valid for a minimum period of sixty (60) days. An extension to hold bid pricing for actual quantity bids may be requested by the City.

4.0 REJECTION OF BIDS The City may reject a bid if:

(a) Bidder misstates or conceals any material fact in the bid.

(b) Bid does not strictly conform to the law or the requirements of the bid.

(c) Bidder is in arrears on existing contracts or taxes with the City of Laredo.

(d) If bids are conditional, Bidder may qualify their bid for acceptance by the City on an "ALL OR NONE" basis. An "ALL OR NONE" basis bid must include all items in the specifications.

(e) In the event that a bidder is delinquent in the payment of City taxes on the day the bids are opened, including

CITY OF LAREDO
PURCHASING DIVISION

state and local taxes. such fact shall constitute grounds for rejection of the bid or cancellation of the contract. A bidder is considered delinquent, regardless of any contract or agreed judgments to pay such delinquent taxes.

(f) No bid submitted herein shall be considered unless the bidder warrants that, upon execution of a contract with the City of Laredo, bidder will not engage in employment practices such as discriminating against employees because of race, color, sex, creed, or national origin. Bidder will submit such reports as the City may therefore require assuring compliance with said practices.

(g) The City may reject all bids or any part of a bid whenever it is deemed necessary.

(h) The City may waive any minor informalities or irregularities in any bid.

5.0 WITHDRAWAL OF BIDS Bids may not be withdrawn after they have been publicly opened, unless approved by the City Council.

6.0 LATE BIDS OR MODIFICATIONS Bids and modifications received after the time set for the bid deadline will not be considered. Late bids will be returned to the bidder unopened.

7.0 CLARIFICATION OR OBJECTION TO BID SPECIFICATIONS If any person contemplating submitting a bid for this contract is in doubt as to the true meaning of the specifications, or other bid documents or any part thereof, they may submit to the City Purchasing Agent on or before seven (7) calendar days prior to the scheduled bid deadline a request for clarification which must be submitted in writing through email seven (7) days prior to the scheduled date for opening to: CITY OF LAREDO PURCHASING AGENT 5512, Thomas Ave. Laredo, TX 78041; Questions & Responses section on Cit-E-Bid system. Any vendor submitting questions shall make reference to a specific bid number, section, page and item of this solicitation. In case there are changes, additions, and/or edits to the original scope of work, and addendum will be issued by the purchasing agent to all vendors through Cit-E-Bid system under Questions and Responses section to clarify any inquiries. The City will not be responsible for any other explanations or interpretations of the proposed bid made or given prior to the bid opening or award of contract.

(a) Protest Procedures: The purpose of this procedure is to establish procedures whereby a vendor may protest specific procurement actions by the City of Laredo. The following sequence of activities must take place in filing a protest:

(b) To be performed by protesting vendor: Within ten (10) days prior to the time that the City Council considers the recommendation of the City's Purchasing Officer, the protesting vendor must provide written protest to the City Purchasing Officer. Such protest must include specific reasons for the protest.

(c) To be performed by City's Purchasing Officer: Shall review the records of procurement and determine legitimacy and procedural correctness. With five (5) working days, the City Purchasing Officer shall provide written response to the protesting vendor of the decision.

(d) If the protesting vendor is not satisfied with the decision of the City Purchasing Officer, such protesting vendor may appeal to the City Manager of the City of Laredo. If the protesting vendor cannot resolve the issue with the City Manager, he shall be entitled to address his concerns when the City Council of the City of Laredo considers the awarding of the contract. Such appeal may be made only after exhausting all administrative procedures through the City Manager. All protests must be duly submitted via Certified Mail to: City of Laredo - Purchasing Agent 5512 Thomas Ave. Laredo, Texas 78041.

8.0 BIDDER DISCOUNTS

(a) Percent discounts within a certain period of time will be accepted but cannot be used in the bid evaluation. The period of the discount offered should be sufficient to permit payments within such period in the regular course of business by the City of Laredo.

(b) In connection with any discounts offered, time will be computed from the date of receipt of supplies or service or from the date a correct invoice is received, whichever is the later date. Payment is deemed to be made on the date the check is mailed.

9.0 INTENT OF CONTRACT

a) **ANNUAL SUPPLY/SERVICE CONTRACTS:** This contract does not commit the City to purchase the quantities indicated. The quantities are estimates and are based on the best available information. The purpose of this contract is to establish prices for the commodities or services needed, should the City need to purchase these commodities or

CITY OF LAREDO
PURCHASING DIVISION

services. Since the quantities are estimates, the City may purchase more than the estimated quantities, less than the estimated quantities, or not purchase any quantities at all. The needs of the City shall govern the amount that is purchased. All annual contracts shall bound by the terms of the bid documents. In the event a new contract cannot be executed on the anniversary date of the original term or renewal term, the contract may be renewed month to month until a new contract is executed. The City's obligation for performance of an annual supply contract beyond the current fiscal year is contingent upon the availability of appropriated funds from which payments for the contract purchases can be made. If no funds are appropriated and budgeted during the next fiscal year, this contract becomes null and void.

10.0 AWARD OF CONTRACT

(a) This contract will be awarded to the **(lowest responsive responsible bidder)**, in accordance to the provisions of Chapters 252 and 271 of the State of Texas – Local Government Code. This contract will be awarded to the top three lowest bidders.

Definition of lowest responsive and responsible bidder as per the Institute for Public Procurement is:

"Lowest Responsive and Responsible Bidder: The bidder who fully complied with all of the bid requirements and whose past performance, reputation, and financial capability is deemed acceptable, and who has offered the most advantageous pricing or cost benefit, based on the criteria stipulated in the bid documents."

(b) The City reserves the right to accept any item or group of items in the bid specifications, unless the bidder qualifies it's bid by specific limitation. Proof: The bidder shall bear the burden of proof of compliance with the City of Laredo specifications.

(c) A written award of acceptance (a duly approved purchase order or Letter of Award) furnished by the City to the successful bidder results in a binding contract without further action by either party. These Terms and Conditions shall be the basis and governing document of the binding contract.

(d) A duly authorize purchase order number shall reference item/services description, item number, quantity and price. Invoices shall reference the assign purchase order number to avoid any duplication (2 CFR 200.318 (d)).

(e) Prices must be quoted F.O.B. Destination, Laredo, Texas, unless otherwise specified in the invitation to bid. The place of delivery shall be that set forth in the bid specifications and/or purchase order.

(f) Title & Risk of Loss: The title and risk of loss of goods shall not pass to the City of Laredo until the City actually receives and takes possession of the goods at the point or points of delivery. The terms of this agreement is "no arrival, no sale".

(g) Delivery time and prompt payment discounts will be considered in breaking ties. In the event of a tie bid, the successful bidder will be determined by choosing lots at the City Council meeting chambers.

(h) The City of Laredo shall give written notice to the contractor (supplier) if any of the following conditions exist:

1. Contractor does not provide materials in compliance with specifications and/or within the time schedule specified in bid.

2. Contractor neglects or refuses to remove materials or equipment which have been rejected by the City of Laredo if found not to comply with the specifications.

3. The contractor makes an unauthorized assignment for the benefit of any contractor.

Upon receiving written notification from the City that one of the above conditions has occurred, the contractor must remedy the problem within ten (10) calendar days, to the complete satisfaction of the City, or the contract will be immediately canceled.

4. Contract terms are the responsibility of the awarded vendor(s) and the respective City user department(s).

11.0 ENTIRE AGREEMENT

(a) All covenants, conditions and agreement contained in the solicitation, are hereby made part of the Agreement to the same extent and with the force as is fully set forth herein. If and to the extent of this Agreement and the terms of this solicitation and supplier response conflict Terms & Conditions of this solicitation shall control.

12.0 PAYMENT & INVOICING

(a) All invoices to the City of Laredo have a 30 day term from receipt of supplies or completion of services.

(b) Discount terms will be computed from the date of receipt and acceptance of supplies or services. Payment shall be deemed to be made from that date.

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(c) All invoices must show the purchase order number and invoices shall be legible. Items billed on invoices should be specific as to applicable stock, manufacturer catalog or part number. All items must show unit prices. If prices are based on discounts from list, then list prices must appear on bid schedule. All invoices shall be mailed to the Accounts Payable Office, City Hall, and PO. Box 210, Laredo, Texas 78042.

(d) The City of Laredo offers electronic funds transfer (ETF) payments in lieu of check payment when a vendor has filled out an Electronic Funds Transfer Authorization Form issued by the City of Laredo or upon request from the vendor. This ensures prompt payment directly deposited to a bank account. The estimated payment time is up fifteen (15) days from the date payment is processed. (e) For any inquires on payment status or general billing questions please contact: Jorge J. Jolly, Accounts Payable Manager 956-791-7328 jjolly@ci.laredo.tx.us 1110 Houston St. Laredo, TX 78040.

13.0 In accordance to State of Texas, the City of Laredo follows State practices when awarding any and all competitive solicitations:

TEXAS ENGINEERING AND LAND SURVEYING PRACTICE ACTS AND RULES CONCERNING PRACTICE AND LICENSURE OCCUPATIONS CODE TITLE 6. REGULATION OF ENGINEERING, ARCHITECTURE, LAND SURVEYING, AND RELATED PRACTICES SUBTITLE A. REGULATION OF ENGINEERING AND RELATED PRACTICES CHAPTER 1001. TEXAS BOARD OF PROFESSIONAL ENGINEERS AND LAND SURVEYORS CHAPTER 137: COMPLIANCE AND PROFESSIONALISM SUBCHAPTER C: PROFESSIONAL CONDUCT AND ETHICS §137.53 ENGINEER STANDARDS OF COMPLIANCE WITH PROFESSIONAL SERVICES PROCUREMENT ACT

(a) A licensed engineer shall not submit or request, orally or in writing, a competitive bid to perform professional engineering services for a governmental entity unless specifically authorized by state law and shall report to the board any requests from governmental entities and/or their representatives that request a bid or cost and/or pricing information or any other information from which pricing or cost can be derived prior to selection based on demonstrated competence and qualifications to perform the services.

(b) For the purposes of this section, competitive bidding to perform engineering services includes, but is not limited to, the submission of any monetary cost information in the initial step of selecting qualified engineers. Cost information or other information from which cost can be derived must not be submitted until the second step of negotiating a contract at a fair and reasonable cost. (c) This section does not prohibit competitive bidding in the private sector. Source Note: The provisions of this §137.53 adopted to be effective May 20, 2004, 29 TexReg 4878; amended to be effective June 4, 2007, 32 TexReg 2996.

14.0 INSURANCE REQUIREMENTS (NON-CONSTRUCTION) (Not applicable for this contract)

The successful bidder(s) shall furnish the City with a Certificate of Insurance herein required upon execution of the contract and shall maintain said policies in full force and effect at all times during the term of this contract.

(a) Commercial General Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence and \$2,000,000 general aggregate for bodily injury and property damage. Coverage must be amended to provide for an each-project aggregate limit of insurance. An alternative would be to have separate limits for all lines of General Liability coverage for each project.

(b) Workers Compensation insurance at statutory limits, including Employers Liability coverage a minimum limit of \$1,000,000 each-occurrence each accident/\$1,000,000 by disease each-occurrence/\$1,000,000 by disease aggregate.

(c) Commercial Automobile Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence for bodily injury and property damage, including owned, non-owned, and hired car coverage.

(d) Any Subcontractor(s) hired by the Contractor shall maintain insurance coverage equal to that required of the Contractor. It is the responsibility of the Contractor to assure compliance with this provision. The City of Laredo accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor. The independent subcontractor performing onsite labor will extend completed operations to additional insured parties.

(e) A Comprehensive General Liability insurance form may be used in lieu of a Commercial General Liability insurance form. In this event, coverage must be written on an occurrence basis, at limits of \$1,000,000 each-

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occurrence, combined single limit, and coverage must include a broad form Comprehensive General Liability Endorsement.

(f) With reference to the foregoing insurance requirement, Contractor shall specifically endorse applicable insurance policies as follows:

1. The City of Laredo shall be named as a primary and non-contributory additional insured with respect to General Liability and Automobile Liability. The additional insured for General Liability shall include operations and completed operations. Completed operation are to be kept in force for a period of 10 years.
2. All liability policies shall contain no cross-liability exclusions or insured versus insured restrictions.
3. A waiver of subrogation in favor of the City of Laredo shall be contained in the Workers compensation, and all liability policies.
4. All insurance policies shall be endorsed to require the insurer to immediately notify The City of Laredo of any material change in the insurance coverage.
5. All insurance policies shall be endorsed to the effect that The City of Laredo will receive at least sixty- (60) days' notice prior to cancellation or non-renewal of the insurance.
6. All insurance policies, which name The City of Laredo as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.
7. Required limits may be satisfied by any combination of primary and umbrella liability insurances.
8. Contractor may maintain reasonable and customary deductibles, subject to approval by The City of Laredo.
9. Insurance must be purchased from insurers that are financially acceptable to the City of Laredo. Insurer must be rated A- or greater by AM Best Rating with an admitted carrier licensed by the Texas Department of Insurance.

(g) All insurance must be written on forms filed with and approved by the Texas Department of Insurance. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting the following:

1. Sets forth all endorsements and insurance coverages according to requirements and instructions contained herein.
2. Certificates of insurance shall be accompanied by a copy of each required endorsement including the notice of cancellation or termination provisions to the City of Laredo for each required type of insurance.

(h) Upon receipt of a verified claim and at the request of the City of Laredo, Contractor shall furnish The City of Laredo with certified copies of all required insurance policies.

15.0 CONTRACT REQUIREMENTS

15.1 CODE OF ETHICS ORDINANCE 2012-0-126

Vendors doing business with the City of Laredo shall comply with all provisions of the City of Laredo's Code of Ethics.

15.2 PROHIBITED CONTACTS DURING CONTRACT SOLICITATION PERIOD

A person or entity who seeks or applies for a city contract or any other person acting on behalf of such person or entity, is prohibited from contacting city officials and employees regarding such a contract after a Formal Bid, Request for Proposal (RFP), Request for Qualification (RFQ) or other solicitation has been released. This no contact provision shall conclude when the contract is awarded. If contact is required, such contact will be done in accordance with procedures incorporated into the solicitation document. Violation of this provision by respondents or their agents may lead to disqualification of their offer from consideration.

15.3 NON-COLLUSIVE AFFIDAVIT (Attached)

The City may require that vendors submit a Non-Collusive Affidavit. The vendor will be required to state that the party submitting a proposal or bid, that such proposal or bid is genuine and not collusive or sham; that said Bidder has not colluded, conspired, connived or agreed, directly or indirectly, with any Bidder or Person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price or affiant or of any other Bidder, or to fix any overhead, profit or cost element of said bid price, or of that of any other Bidder, or to secure any advantage

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against the City of Laredo or any person interested in the proposed contract: and that all statements in said proposal or bid are true.

15.4 CONTRACT DISCLOSURE FORMS (Attached)

The City of Laredo requires the following forms to be completed as a part of this bid for consideration:

1. Company Information Questionnaire.
2. Signed Price Schedule.
3. Conflict of Interest Questionnaire.
4. Non-Collusive Affidavit
5. Discretionary Contracts Disclosure
6. Certificate of Interested Parties (Form 1295) ****Upon Award of Bid Only****

15.5 CONFLICT OF INTEREST FORMS (Attached)

Conflict of Interest Disclosure: A form disclosing potential conflicts of interest involving counties, cities, and other local government entities may be required to be filed after January 1, 2006, by vendors or potential vendors to local government entities. The new requirements are set forth in Chapter 176 of the Texas Local Government Code added by H.B. No. 914 of the last Texas Legislature.

15.6 TEXAS ETHICS COMMISSION (Form 1295, Attached)

Certificate of Interested Parties (Form 1295)

Implementation of House Bill 1295: In an effort to comply with state law the certificate of interested parties must be filled out once a vendor has been granted a contract. All of this information can be found on the state of Texas website, please use this link provided, <https://www.ethics.state.tx.us/tec/1295-Info.htm>

In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that a governmental entity or state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency. The law applies only to a contract of a governmental entity or state agency that either (1) requires an action or vote by the governing body of the entity or agency before the contract may be signed or (2) has a value of at least \$1 million. The disclosure requirement applies to a contract entered into on or after January 1, 2016.

In order to comply with state law the Certificate of Interested Parties (Form 1295) must be submitted to the Texas Ethics Commission within 10 days upon receiving notice of award of contract. This form must be submitted within the allotted time otherwise this will result in the cancellation of the contract.

16.0 DISQUALIFICATION & DEBARMENT CERTIFICATION

By submitting this Statement of Qualifications, the firm certifies that it is not currently debarred or eligible for debarment from the City of Laredo pursuant to **Ordinance No. 2017-O-098**, and that it is not an agent of a person or entity that is currently debarred from receiving contracts from any political subdivision or agency of the State of Texas. The contract parties are further prohibited from making any award at any tier to any party that is debarred or suspended or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549, "Debarment and Suspension." By executing this agreement, the Engineer certifies that it is not currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549. The parties to this contract shall require any party to a subcontract or purchase order awarded under this contract to certify its eligibility to receive Federal funds and, when requested by the City, to furnish a copy of the certification.

Additionally, in accordance with Chapter 2270, Texas Government Code, a governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. The signatory executing this contract on behalf of company verifies that the company does not boycott Israel and will not boycott Israel during the term of this contract.

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S.B. 252 (V. Taylor/S. Davis) is a bill relating to government contracts with terrorists. The bill provides that: (1) a governmental entity, including a city, may not enter into a governmental contract with a company that is identified on a list prepared and maintained by the comptroller and that does business with Iran, Sudan, or a foreign terrorist organization; and (2) a company that the United States government affirmatively declares to be excluded from its federal sanctions regime relating to Sudan, its federal sanctions regime relating to Iran, or any federal sanctions regime relating to a foreign terrorist organization is not subject to the contract prohibition under the bill.

Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)

Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

17.0 Addendum

The City of Laredo reserves the right to issue addenda to solicitations as necessary. Addenda are used to clarify, revise, or otherwise modify solicitation documents. All submitting parties are responsible for acknowledging receipt of each addendum issued. Failure to acknowledge any issued addendum will result in the submission being returned and considered incomplete.

Important Notice:

Addendum notifications will be sent to the email address associated with each submission. It is the submitting party's responsibility to monitor the provided email address and ensure that all addenda are received and acknowledged. Failure to acknowledge any issued addendum will result in the submission being returned and considered incomplete.

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Formal Invitation for Bids
TYMCO Street Sweeper Parts/Service
Fleet Department

18.0 Scope of Work

The City of Laredo is requesting bid pricing from qualified vendors for awarding a one-year contract for the supply of captive parts and repair service of TYMCO street sweeper equipment for the Fleet Department. Copies of the bid specifications may be obtained from the Finance Department – Purchasing Division, 5512 Thomas Ave., Laredo, Texas 78041 or by downloading from our website: www.cityoflaredo.com or through Cit-E-Bid: <https://cityoflaredo.ionwave.net/Login.aspx>

18.1 All questions for this bid shall be submitted through Cit-E-Bid no later than, April 17, 2026 before 2:00 P.M.

18.2 Point of Contact

For additional questions regarding these specifications please contact:

Contact	Phone#	Email
Ronald W. Miller	(956) 727-6455	rmiller@ci.laredo.tx.us

19.0 Contract Provisions

19.1 The bidder shall quote prices F.O.B. destination, City of Laredo – Fleet Department, 1102 Bob Bullock Loop, Laredo, Texas. However, there will be occasions when the parts may be picked up. Allowances for special freight charges will be acceptable only when expedited delivery is approved by the City of Laredo.

19.2 Pick up & delivery: Successful bidder must provide pickup and delivery of parts during regular working hours to the Fleet Management Shop located at 1102 Bob Bullock Loop.

19.3 When vendors cannot abide by the terms and conditions in fulfilling their contract, the City reserves the right to purchase contract materials on the open market and charge the contract vendor the price difference.

19.4 An annual contract purchase order will be issued for each City agency authorized to place orders against this annual contract. The contract purchase order will not list individual items or prices. Vendor must have the contract purchase order before making any delivery.

19.5 All invoices must be submitted in duplicate and show each purchase order number. Items billed on invoices must be specific as to applicable stock, manufacturer, catalog or part number (if any). All items must show unit prices, labor rate (hourly rate), and mileage rate (if applicable) or otherwise specified. If prices are based on discounts from list, then the list prices, the "plus" in terms of percentage, and net unit prices, extensions and net total prices must be shown.

19.6 Revision of Manufacturer's price list(s): The bid will be based on manufacturer's latest dated price list (s). Said price list(s) must denote the manufacturer, latest effective date and price schedule. It is agreed that any published price list(s) may be superseded or replaced during the contract period only if the manufacturer for industry wide use publishes such list(s).

19.7 All subject price lists should be submitted with this bid and shall become a part hereof. However, if in the opinion of the City Purchasing Agent, it is impractical for bidder to include published price lists as part of this bid and to furnish any price lists and/or written changes as required herein, bidder shall permit the Purchasing Agent or his authorized representatives to inspect the pertinent published price lists and/or written changes in the office of the bidder or at any other location approved by both parties.

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However, if the City Purchasing Agent approves said price list(s) other than the manufacturer's price list(s), said price list(s) must denote the company name, effective date and price schedule. It is agreed that any price list provided other than the manufacturers may not be superseded or replaced during the contract period.

19.9 Bids for parts exceeding the suggested retail price will be rejected.

20.0 Specifications

Contractor's facility must have adequate security and storage to provide appropriate protection during the time the vehicles are in possession of the contractor. Contractor is responsible in all matters for City of Laredo vehicles in their possession. Damages due to neglect or abuse of vehicles and equipment while in the possession and control of the contractor is the responsibility of the contractor. City of Laredo Fleet personnel may perform a pre-award site visit of Contractor's facility prior to contract award. Outside parts will not have an up-charge in excess of twenty (20%) percent and will not offer a rebate to the contractor. Copies of all prepaid outside charges must be attached to invoices provided with final invoice once repairs are complete.

20.1 Parts by contractor will be billed at the discount noted in the Schedule of Items.

20.2 Invoices:

20.2.1 Must be legible and reference a valid purchase order number.

20.2.2 Must be approved by an appropriate City of Laredo Fleet department representative.

20.2.3 Items billed on invoices must be specific as to applicable stock, manufacturer, catalog or part number.

20.3 City of Laredo personnel may pickup parts from Contractor's facility.

20.4 All parts must be new and best available unless authorized in advance by the Fleet Maintenance representative.

20.5 The manufacturer names, trade names, brand names and products numbers used herein are for the purpose of describing and establishing tested, compatible, approved and acceptable products that are of the type and quality required by the City of Laredo.

20.6 All costs associated with shop supplies, environmental fees, or any other expenses incurred in fulfilling this contract are to be included in the bid price.

21.0 Insurance Requirements

The successful bidder(s) shall furnish the City with original copies of valid insurance policies herein required upon execution of the contract and shall maintain said policies in full force and effect at all times during the term of this contract. Said insurance policies shall comply with all requirements set forth in section 14.0 of these specifications. Contractor(s) shall keep a current certificate of insurance in the City of Laredo Purchasing Division at all times and shall immediately report any changes to the Purchasing Office Administration.

22.0 Award of Contract

This contract will be awarded to the (lowest responsive responsible bidder), in accordance to the provisions of Chapters 252 and 271 of the State of Texas - Local Government Code. This contract will be awarded to the top three lowest bidders.

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Definition of lowest responsive and responsible bidder as per the Institute for Public Procurement is:
"Lowest Responsive and Responsible Bidder: The bidder who fully complied with all of the bid requirements and whose past performance, reputation, and financial capability is deemed acceptable, and who has offered the most advantageous pricing or cost benefit, based on the criteria stipulated in the bid documents."

Annual Supply/Service Contract: This contract does not commit the City to purchase the quantities indicated. The quantities are estimates and are based on the best available information. The purpose of this contract is to establish prices for the commodities or services needed, should the City need to purchase these commodities or services. Since the quantities are estimates, the City may purchase more than the estimated quantities, less than the estimated quantities, or not purchase any quantities at all. The needs of the City shall govern the amount that is purchased and change orders shall not be applicable.

22.1 Disclosure of Interested Parties

Section 2252.908 of the Texas Government Code requires a business entity entering into certain contracts with a governmental entity to file with the governmental entity a disclosure of interested parties at the time the business entity submits the signed contract to the governmental entity. Section 2252.908 requires the disclosure form (Form 1295) to be signed by the authorized agent of the contracting business entity, acknowledging that the disclosure is made under oath and under penalty of perjury. Section 2252.908 applies only to a contract that requires an action or vote by the governing body of the governmental entity before the contract may be signed or has a value of at least \$1 million. Section 2252.908 provides definitions of certain terms occurring in the section. Section 2252.908 applies only to a contract entered into on or after Jan. 1, 2016. (Only if awarded contract is approved by City Council). The form must be submitted electronically through the Texas Ethics Commission website. Once the form is submitted and given a unique registration number, the business entity must manually sign the form and have it notarized. The form should be sent to the government entity which will then verify the form on the Texas Ethics Commission website.

23.0 Term of Contract

The term of this contract shall be for a period of one (1) year beginning as of the date of its execution. The contract may be extended for three, additional one (1) year periods. Should the vendor desire to extend the contract for the additional one-year period, it must so notify the City in writing no later than sixty (60) days before the expiration of the prior term. Such notification shall be effective upon actual receipt by the City. Renewals shall be in writing and signed by the City's Purchasing Manager & City Manager or his designee, without further action by the Laredo City Council, subject to and contingent upon appropriation of funding therefore. All annual contracts shall bound by the terms of the bid documents. The City shall also have the right to extend this contract under the same terms and conditions beyond the original term or any renewal thereof, on a month to month basis, not to exceed 3 months. Said month to month extensions shall be in writing, signed by the City's Purchasing Manager & City Manager or his designee, and shall not require City Council approval, subject to and contingent upon appropriation of funding therefore. The City reserves the right to renew or rebid this contract, if the appropriated funds initially approved by City Council are exhausted before the contract expiration date.

23.1 This contract shall be the responsibility of and administered by the vendor and the City of Laredo Fleet Department.

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24.0 Price Adjustment*****

The City of Laredo will allow unit price adjustments upwardly or downwardly when correlated with an industry wide adjustment. Any request for reasonable price adjustments will be considered. Justification for the requested adjustment on original fixed pricing must have mutual consent from both parties and be supported by appropriate documentation. A written notice stipulating in detail the price revision must be furnished to the City no less than 30 days before revised prices go into effect. Any request for reasonable price adjustments will be considered. Justification for the requested adjustment on original fixed pricing must have mutual consent from both parties and be supported by appropriate documentation. The City will not take action to intentionally delay legitimate manufacturer unit price increases.

The City of Laredo reserves the right to cancel the contract if the price increase is deemed excessive; a new contract vendor will be selected on the basis of competitive bids. Documentation may be emailed to ealdape@ci.laredo.tx.us

25.0 Termination of Contract

Either party will have the right to terminate the contract by giving written notice to the other party at least 1 month before the end of the initial period of the contract or at least 30 days at any point after the end of the initial period. Either party may terminate this contract by written notice to the other at any time if the other party: Commits a breach of this contract and, in the case of a breach capable of remedy, fails to remedy the breach within 10 days of being required to do so in writing; or becomes insolvent, or has a liquidator, receiver, manager or administrative receiver appointed.

26.0 Required Format and Contents of Bid Submission

For a bid to be considered it must contain the following information:

Company Information Questionnaire

Signed Price Schedule

Conflict of Interest Questionnaire

Non-Collusive Affidavit

Discretionary Contract Disclosure

Certificate of Interested Parties (Form 1295)

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27.0 Bidder Information Questionnaire

Bidder Information/Business Questionnaire:

Please complete all information requested below and submit with your bid package

"The undersigned affirms that they are duly authorized to execute this contract, that this company, corporation, firm, partnership or individual has not prepared this bid in collusion with any other bidder, and that the contents of this bid as to prices, terms or conditions of said bid have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this request. By submitting this bid the vendor agrees to the City of Laredo specifications and all terms and conditions stipulated in the proposed document. That I, individually and on behalf of the business named in this Business Questionnaire, do by my signature below, certify that the information provided in the questionnaire is true and correct".

Name of Offeror (Business) Bone's Custom Cycles, LLC

Signature Roberto Martinez Date 04/20/2024
of person authorized to sign bid

Print Name Roberto Martinez
of person authorized to sign bid

Title: Owner

Business Address: 141 Waw. Tijerina Parkway

City, State, Zip Code: Laredo, TX 78043

Telephone Number: 956-319-8202 Fax Number: _____

Contact Person Email Address: bonemt2@gmail.com

Federal Tax ID Number: 33-3488866

Bidders Principal/Corporate Place of Business Address: 141 Waw. Tijerina Parkway, Laredo, TX 78043

Indicated Status of Business:

Corporation _____ Partnership _____ Sole Proprietorship _____ Other: LLC

If other state business status: N/A

State how long under its present business name: 19 years

If applicable, list all other names under which the Business identified above operated in the last five years.

N/A

Will bidder/proposer provide a copy of its financial statements for the last two years, if requested by the City of Laredo? Yes No

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Has the business, or any officer or partner thereof, failed to complete a contract? Yes No

Is any litigation pending against the Business? Yes No

Is offeror currently for sale or involved in any transaction to expand or to become acquired by another business entity? Yes No
If yes, offer need to explain the expected impact both in organizational and directional terms.

Has the Business ever been declared "not responsive" for the purpose of any governmental agency contract award? Yes No

Has the Business been debarred, suspended, proposed for debarment, suspended, proposed for debarment, declared ineligible, voluntarily excluded, or otherwise disqualified from bidding, proposing, or contracting? Yes No

Are there any proceedings, pending relating to the Business responsibility, debarment, suspension, voluntary exclusion, or qualification to receive a public contract? Yes No

Has the government or other public entity requested or required enforcement of any of its rights under a surety agreement on the basis of default or in lieu of declaring the Business in default? Yes No

Is the Business in arrears in any contract or debt? Yes No

Has the Business been a defaulter, as a principal, surety, or otherwise? Yes No

Have liquidated damages or penalty provisions been assessed against the Business for failure to complete work on time or for any other reason? Yes No

State if company is a certified minority business enterprise:

Historically Underutilized Business (HUB):	Yes <input type="radio"/> No <input checked="" type="radio"/>	Disadvantaged Business Enterprise (DBE):	Yes <input type="radio"/> No <input checked="" type="radio"/>
Small Disadvantaged Business Enterprise (SDBC)	Yes <input type="radio"/> No <input checked="" type="radio"/>	Other: Please specify _____	

This company is not a certified minority business:

The above minority information is requested for statistical and tracking purposes only and will not influence the amount of expenditure the City will make with any given company

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28.0 Price Schedule

28.1 Section I: TYMCO Street Sweeper Equipment Parts/Service

Percent of discount offered	<u>0</u> %
Product identification (Mfr.)	
Type price schedule (dealer, jobber, etc.)	
Price Schedule Number	
Date of price schedule	
Price schedule column on which discount is based (i.e. distributor, net, wholesale)	
Labor Rate for Services (Field)	\$ <u>80.00</u> Per Hour
Labor Rate for Services (Shop)	\$ <u>80.00</u> Per Hour
Mileage Rate (if any)	\$ <u>0.00</u> Per Mile

Company Name: Bone's Custom Cycles, LLC

Owner/President Name: Roberto Martinez

Company Address: 141 Wawi Tijerina Parkway

City, State, Zip Code: Laredo, TX 78043

Company Authorized Representative's Signature: Roberto Martinez

Company Representative's Name: Roberto Martinez

Signature on this form indicates agreement with "Instructions to Bidder – General Terms and Conditions, pricing and all specifications listed on this document."

29.0 Conflict of Interest Disclosure

A form disclosing potential conflicts of interest involving counties, cities, and other local government entities may be required to be filed after January 1, 2006, by vendors or potential vendors to local government entities. The new requirements are set forth in Chapter 176 of the Texas Local Government Code added by H.B. No. 914 of the last Texas Legislature.

Companies and individuals who contract, or seek to contract, with the City of Laredo and its agents may be required to file with the **City Secretary's Office, 1110 Houston Street, Laredo, Texas 78040**, a Conflict of Interest Questionnaire that describes affiliations or business relationships with the City of Laredo officers, or certain family members or business relationships of the City of Laredo officer, with which such persons do business, or any gifts in an amount of \$250.00 or more to the listed City of Laredo officer (s) or certain family members.

The new requirements are in addition to any other disclosures required by law. The dates for filing disclosure statements begin on January 1, 2006. A violation of the filing requirements is a Class C misdemeanor.

The Conflict of Interest Questionnaire (Form CIQ) may be downloaded from http://www.ethics.state.tx.us/whatsnew/conflict_forms.htm.

The City of Laredo officials who come within Chapter 176 of the Local Government Code relating to filing of **Conflicts of Interest Questionnaire (Form CIQ)** include:

1. **Mayor**
2. **Council Members**
3. **City Manager**
4. **Members of the Fire Fighters and Police Officers Civil Service Commission.**
5. **Members of the Planning and Zoning Commission.**
6. **Members of the Board of Adjustments**
7. **Members of the Building Standards Board**
8. **Parks & Leisure Advisory Committee Member,**
9. **Historic District Land Board Member,**
10. **Ethics Commission Board Member,**
11. **The Board of Commissioners of the Laredo Housing Authority**
12. **The Executive Director of the Laredo Housing Authority**
13. **Any other City of Laredo decision making board member**

If additional information is needed please contact the Purchasing Agent at 956-794-1731

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HAVE READ THIS FORM AND ATTEST THAT THERE IS NO CONFLICT OF INTEREST THUS NO VIOLATION OF SECTION 176.006, LOCAL GOVERNMENT CODE EXISTS.

Roberto Martinez

Name

Signature

04/20/2024

Date

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor or other person doing business with local governmental entity

FORM CIQ

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

OFFICE USE ONLY
Date Received

1 Name of person who has a business relationship with local governmental entity.

Roberto Martinez

2

Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3

Name of local government officer with whom filer has employment or business relationship.

N/A

Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, income, other than investment income, from the filer of the questionnaire? Yes No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity? Yes No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves an officer or director, or holds an ownership of 10 percent or more? Yes No

D. Describe each employment or business relationship with the local government officer named in this section.

Roberto Martinez

Signature of person doing business with the governmental entity

04/20/2024

Date

CITY OF LAREDO
PURCHASING DIVISION

30.0

AFFIDAVIT

Project:

Form of Non-Collusive Affidavit

AFFIDAVIT

STATE OF TEXAS {}
COUNTY OF WEBB {}

Being first duly sworn, deposes and says:

That he/she is Roberto Martinez
(a Partner of officer of the firm of, etc.)

The party making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham; that said Bidder has not colluded, conspired, connived or agreed directly or indirectly, with any Bidder or Person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price or affiant or of any other Bidder or to fix any overhead, profit or cost element of said bid price, or of that of any other Bidder, or to secure any advantage against the City of Laredo or any person interested in the proposed Contract; and that all statements in said proposal or bid are true.

Roberto Martinez

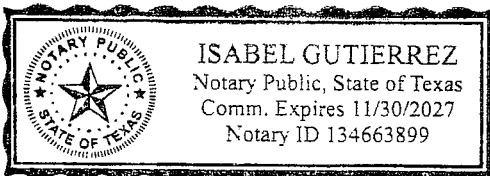
Signature of:
Bidder, if the Bidder is an individual
Partner, if the Bidder is a Partnership
Officer, if the Bidder is a Corporation

Subscribed and sworn before me this 20 day of April, 2020.

Isabel Gutierrez
Notary Public

My commission expires:

11/30/2027



31.0



City of Laredo Discretionary Contracts Disclosure

Please fill out this form online, print completed form
and submit with proposal to originating department.

All questions must be answered.

For details on use of this form, see Section 4.01 of the City's Ethics Code.

*This is a New Submission or Correction or Update to previous submission.

***1. Name of person submitting this disclosure form.**

Roberto Marinez
First M.I. Last Suffix

***2. Contract Information.**

a) Contract or Project name(s): RFB 2020-057 TYMCO Street Sweeper Parts/Services

b) Originating Department(s): Elect Dept.

***3 Name of individual(s) or entity(ies) seeking a contract with the city (i.e. parties to the contract)**

<u>Roberto Mariniz</u> Name (Print)	<u>Robert Mariniz</u> Signature	<u>Robert Mariniz</u> Name (Print)	<u>Robert Mariniz</u> Signature
_____ Name (Print)	_____ Signature	_____ Name (Print)	_____ Signature
_____ Name (Print)	_____ Signature	_____ Name (Print)	_____ Signature
_____ Name (Print)	_____ Signature	_____ Name (Print)	_____ Signature

***4. List any business entity(ies) that is a partner, parent, subsidiary business entity(ies) of the individual or entity listed in Question 3**

Not applicable. Contracting party(ies) does not have partner, parent, or subsidiary business entities.

Name of partner, parent, or subsidiary business entity(ies): _____

CITY OF LAREDO
PURCHASING DIVISION

***5. List any individuals or entities that will be subcontractors on this contract.**

Not applicable. No subcontractors will be retained for this contract.

Subcontractors may be retained, but have not been selected at the time of this submission.

List of subcontractors: _____

***6. List any attorneys, lobbyists, or consultants that have been retained to assist in seeking this contract.**

Not applicable. No attorneys, lobbyists, or consultants that have been retained to assist in seeking this contract.

List of attorneys, lobbyists, or consultants that have been retained to assist in seeking this contract: _____

***7. Disclosure of political contributions.**

List any campaign or officeholder contributions made by the following individuals in the past 24 months totaling more than \$100 to any current member of City Council, former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections.

- a) Any individual seeking contract with the city (Question 3)
- b) Any owner or officer of entity seeking contract with the city (Question 3)
- c) Any individual or owner or officer of any entity listed above as partner, parent, or subsidiary business (Question 4)
- d) Any subcontractor or owner/office of subcontracting entity retained for the contract (Question 5)
- e) The spouse of any individual listed in response to (a) through (d) above
- f) Any attorney, lobbyist, or consultant retained to assist in seeking contract (Question 6)

Not applicable. No campaign or officeholder contributions have been made in the preceding 24 months by these individuals.

List of contributors: _____

Updates on Contributions Required

Information regarding contributions must be updated by submission of a revised form from the date of the submission of this form, up through the time City Council takes action on the contract identified in response to Question 2 and continuing for 30 calendar days after the contract has been awarded.

***8. Disclosure of conflict of interest**

Are you aware of any fact(s) with regard to this contract that would raise a "conflict of interest" issue under Section 2.01 of the Ethics Code for any City Council member or board/commission member that has not or will not be raised by these city officials?

CITY OF LAREDO
PURCHASING DIVISION

I am not aware of any conflict(s) of interest issues under Section 2.01 of the Ethics Code for members of City Council or a city board/commission.

I am aware of the following conflict(s) of interest: _____

***Acknowledgements**

Updates Required

I understand that this form must be updated by submission of a revised form if there is any change in the information before the discretionary contract is the subject of action by the City Council, and no later than five (5) business days after any changes has occurred, whichever comes first. This include information about political contributions made after the initial submission and up until thirty (30) calendar days after the contract has been awarded.

No Contract with City Officials or Staff during Contract Evaluation

I understand that a person or entity who seeks or applies for a city contract or any other person acting on behalf of that person or entity is prohibited from contracting city officials and employees regarding the contract after a Request for Proposal (RFP), Request for Qualifications (RFQ), or other solicitation has been released.

This no-contract provision shall conclude when the contract is posted as a City of Laredo Council agenda item. If contact is required with city officials or employees, the contact will take place in accordance with procedures incorporated into the solicitation documents. Violation of this prohibited contacts provision set out in Section 2.09 of the Ethics Code by respondents or their agents may lead to disqualification of their offer from consideration.

***Conflict of Interest Questionnaire (CIQ)**

Chapter 176 of the Local Government Code requires contractor and vendors to submit a Conflict of Interest Form (CIQ) to the Office of the City Secretary.

I acknowledge that I have been advised of the requirement to file a CIQ form under Chapter 176 of the Local Government Code.

***Oath**

I swear or affirm that the statements contained in this Discretionary Contracts Disclosure Form, including any attachments, to the best of my knowledge and belief are true, correct, and complete.

<u>Roberto Martinez</u> Name (Print)	<u><i>Roberto Martinez</i></u> Signature	<u>Owner</u> Title
<u>Bow's Custom Cycles, LLC</u> Company or DBA		<u>04/20/2026</u> Date

Please fill this form out online, print and submit completed form with proposal to origination department. All questions must be answered. If necessary to mail, send to:

City of Laredo
P.O. Box 579
Laredo, TX 78042-0579

32.0 Certificate of Interested Parties (Form 1295)

In an effort to comply with state law the certificate of interested parties must be filled out once a vendor has been granted a contract. All of this information can be found on the State of Texas website, please use this link provided.

<https://www.ethics.state.tx.us/tec/1295-Info.htm>.

Implementation of House Bill 1295

32.1 Certificate of Interested Parties (Form 1295):

In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that a governmental entity or state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency. The law applies only to a contract of a governmental entity or state agency that either (1) requires an action or vote by the governing body of the entity or agency before the contract may be signed or (2) has a value of at least \$1 million. The disclosure requirement applies to a contract entered into on or after January 1, 2016.

The Texas Ethics Commission was required to adopt rules necessary to implement that law, prescribe the disclosure of interested parties form, and post a copy of the form on the commission's website. The commission adopted the Certificate of Interested Parties form (Form 1295) on October 5, 2015. The commission also adopted new rules (Chapter 46) on November 30, 2015, to implement the law. The commission does not have any additional authority to enforce or interpret House Bill 1295.

32.2 Filing Process:

Starting on January 1, 2016, the commission will make available on its website a new filing application that must be used to file Form 1295. A business entity must use the application to enter the required information on Form 1295 and print a copy of the completed form, which will include a certification of filing that will contain a unique certification number. An authorized agent of the business entity must sign the printed copy of the form and have the form notarized. The completed Form 1295 with the certification of filing must be filed with the governmental body or state agency with which the business entity is entering into the contract.

The governmental entity or state agency must notify the commission, using the commission's filing application, of the receipt of the filed Form 1295 with the certification of filing not later than the 30th day after the date the contract binds all parties to the contract. The commission will post the completed Form 1295 to its website within seven business days after receiving notice from the governmental entity or state agency.

Information regarding how to use the filing application will be available on this site starting on January 1, 2016.

Additional Information:

HB 1295

Certificate of Interested Parties (Form 1295)

New Chapter 46, Ethics Commission Rules:

46.1. Application

46.3. Definitions

46.5. Disclosure of Interested Parties Form

CITY OF LAREDO
PURCHASING DIVISION

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Bone's Custom Cycles, LLC

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.

NIA

4 Name of Interested Party	City, State, Country (place of business)	Nature of Interest (check applicable)	
		Controlling	Intermediary

5 Check only if there is NO Interested Party.

6 **AFFIDAVIT** I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.

Robert M. A.

Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20____, to certify which, witness my hand and seal of office.

Signature of officer administering oath Printed name of officer administering oath Title of officer administering oath

ADD ADDITIONAL PAGES AS NECESSARY

*****DOES NOT NEED TO BE NOTARIZED*****

CITY OF LAREDO
PURCHASING DIVISION

33.0 Vendors Instructions:

Hand delivered bids will be received at the City Secretary Office, 1110 Houston St., 3rd floor, Laredo, Texas 78040 until **5:00 P.M on April 30, 2026; and all bids received will be opened and read publicly at 10:00 A.M. at the Office of the City Secretary on May 1, 2026.**

Hand delivered Bids are to be submitted in a sealed envelope clearly marked:

Bid: TYMCO Street Sweeper Parts/Services – Fleet Department
RFB: 2026-057

Bids can be downloaded and submitted through Cit-E-Bid: <https://cityoflaredo.ionwave.net/Login.aspx>

or

Hand Delivered:

City of Laredo - City Secretary
C/O Mario I. Maldonado Jr.
City Hall - Third Floor
1110 Houston Street
Laredo, Texas 78040

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

MESA UNDERWRITERS SPECIALTY INSURANCE COMPANY
6263 NORTH SCOTTSDALE ROAD, SUITE 300
SCOTTSDALE, ARIZONA 85250

COMMERCIAL INSURANCE POLICY

MUSIC and its General Agent R-T Specialty, LLC
are pleased to have issued Policy MP0042037000690 to
Bone's Custom Cycles

In witness whereof, Mesa Underwriters Speciality Insurance Company has caused this policy to be signed by its President and countersigned on the Declaration page by a duly Authorized Representative of the Company.


Corporate Secretary


President & CEO

MUSIC

COMMON POLICY DECLARATIONS

MESA UNDERWRITERS SPECIALTY
 INSURANCE COMPANY A Stock Company
 40 Wantage Avenue, Branchville, NJ 07890

Policy Number: MP0042037000690

Previous Policy Number: MP0042037000638

No Flat Cancellation

New Renewal Rewrite

Policy Period: From 08/10/2025 To 08/10/2026 at **12:01 A.M.** Standard Time at your mailing address shown below.

Named Insured:
 Bone's Custom Cycles

AK 07/15/2025

DBA:

Mailing Address:
 P O Box 440129

Laredo TX 78044

Agent and Mailing Address: **Agent Number:** 42037

R-T Specialty, LLC
 820 Gessner Road
 Houston TX 77024

Tax State: TX

State Control Number (NJ & PA):

Surplus Lines Broker Name: **Surplus Lines Broker Number:**

This insurance contract is with an insurer not licensed to transact insurance in this state and is issued and delivered as surplus line coverage under the Texas insurance statutes. The Texas Department of Insurance does not audit the finances or review the solvency of the surplus lines insurer providing this coverage, and the insurer is not a member of the property and casualty insurance guaranty association created under Chapter 462, Insurance Code. Chapter 225, Insurance Code, requires payment of a 4.85 (insert appropriate tax rate) percent tax on gross premium.

Form of Business

Individual Joint Venture Partnership Limited Liability Company Corporation
 Organization (other): _____

Business Description:

Motorcycle Repair

Select Coverage Part (for which insurance is being afforded)

<input type="checkbox"/> Commercial General Liability		\$	
<input type="checkbox"/> Liquor Liability		\$	
<input type="checkbox"/> Owners & Contractors Protective		\$	
<input type="checkbox"/> Commercial Property		\$	
<input type="checkbox"/> Commercial Inland Marine		\$	
<input type="checkbox"/> Commercial Crime		\$	
<input type="checkbox"/> Farm & Ranch		\$	
<input checked="" type="checkbox"/> Auto Dealers		\$	2,781.00
<input type="checkbox"/> Other (Describe)		\$	
<input type="checkbox"/> TRIA		\$	
Policy Taxes and Fees			
Brokerage Fee	Flat	\$275.00	
Surplus Lines Tax		\$148.22	
Stamping Office Fee		\$1.22	
		Total Advance Premium	\$ 2,781.00
		Total Other Charges	\$ 424.44
		Total	\$ 3,205.44

Premiums Shown are payable at inception or as indicated on the individual Coverage Declarations.

Form(s) and Endorsement(s), including edition dates, made a part of this policy at the time of issue: See Schedule of Forms

AMK ELT

07/15/2025
 Date

By:  _____
 Authorized Agent

SCHEDULE OF FORMS AND ENDORSEMENTS

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

Named Insured Bone's Custom Cycles

Policy Number MP0042037000690

Effective Date: 08/10/2025

Forms Applicable - COMMON POLICY FORMS

MUS 01 01 10001 0321 POLICY JACKET
MUS 01 01 10002 1122 COMMON POLICY DECLARATION
MUS 01 01 10003 1013 SCHEDULE OF FORMS & ENDORSEMENTS
MUS 01 01 10007 1013 MINIMUM EARNED PREMIUM ENDORSEMENT
MUS 01 01 10043 1013 PRIVACY NOTICE
IL 00 17 11 98 COMMON POLICY CONDITIONS
MUS 01 01 10014 1223 TX COMPLAINT NOTICE
MUS 01 01 10038 1013 TX SERVICE OF SUIT
ILN 178 03 13 TX CLAIM NOTICE
ILN 001 09 03 FRAUD STATEMENT

Forms Applicable - GARAGE

MUS 01 01 20080 0623 EXCLUSION - EARTH MOVEMENT
MUS 01 01 70000 1122 AD - Auto Dealers COVERAGE PART DECLARATIONS
IL 00 21 09 08 NUCLEAR ENERGY LIABILITY EXCL ENDT
MUS 01 01 70001 1122 AD - SCHEDULE OF OPERATIONS
MUS 01 01 70002 1122 AD - ADDITIONAL EXCLUSIONS AND LIMITATIONS
MUS 01 01 70024 1122 AD - ASSAULT OR BATTERY EXCLUSION
MUS 01 01 70025 1122 AD - EXCLUSION - OCCUPATIONAL DISEASE
MUS 01 01 70026 1122 AD - EXCL - AMENDMENT OF CONDITIONS - PREMIUM AUDIT
MUS 01 01 70035 1122 AD - EXCLUSION - TOBACCO, NICOTINE, OR NICOTINE REPLACEMENT PRODUCTS
MUS 01 01 70037 1122 AD - AUTONOMOUS AUTO EXCLUSION
MUS 01 01 70038 1122 AD - DRIVER RESTRICTION ENDORSEMENT
MUS 01 01 70039 1122 AD - EXCLUSION - ABUSE OR MOLESTATION
MUS 01 01 70043 1122 AD - EXCLUSION - THEFT FROM UNPROTECTED BUILDINGS OR PREMISES
MUS 01 01 70044 1122 AD - EXCLUSION-EMPLOYEE INDEMNIFICATION AND EMPLOYERS LIABILITY -EMPLOYEES, CONTRACTORS AND VOLUNTEER
MUS 01 01 70045 1122 AD - LOANED, LEASED OR RENTED AUTOS LIMITATION
MUS 01 01 70048 0125 AD - EXCLUSION - HUMAN TRAFFICKING
MUS 01 01 20058 1122 AD - LEAD CONTAMINATION EXCLUSION
MUS 01 01 20082 1122 AD - EXCLUSION - ASBESTOS
MUS 01 01 20084 1122 AD - NON-STACKING OF LIMITS ENDORSEMENT
CA 00 25 10 13 AD - Auto Dealers Coverage Form
CA 03 02 10 13 AD - DEDUCTIBLE LIABILITY COVERAGE
CA 04 44 10 13 AD - Waiver of Transfer of Rights of Recovery Against Others To Us (Waiver of Subrogation)
CA 20 48 10 13 AD - DESIGNATED INSURED
CA 23 45 11 16 AD - PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES EXCLUSION
CA 23 84 10 13 AD - EXCLUSION OF TERRORISM
CA 23 94 10 13 AD - SILICA OR SILICA-RELATED DUST EXCLUSION FOR COVERED AUTOS EXPOSURE
CA 25 16 10 13 AD - AUTO DEALERS COVERAGE FORM - GENERAL LIABILITY COVERAGES - TOTAL POLLUTION EXCLUSION
CA 25 37 10 13 AD - FUNGI OR BACTERIA EXCLUSION - GENERAL LIABILITY COVERAGES
CA 25 39 10 13 AD - SILICA OR SILICA-RELATED DUST EXCLUSION FOR GENERAL LIABILITY COVERAGES
CA 25 50 10 13 AD - EXCLUSION - DAMAGE TO RENTED PREMISES
CA 25 52 10 13 AD - EXCLUSION - LOCATIONS AND OPERATIONS MEDICAL PAYMENTS
CA 25 54 10 13 AD - EXCLUSION - PERSONAL AND ADVERTISING INJURY
CA 25 57 10 13 AD - COMMUNICABLE DISEASE EXCLUSION FOR
CA 25 64 10 13 AD - Exclusion of Specified Acts, Errors or Omissions Liability Coverages
CA 27 13 12 19 AD - CANNABIS EXCLUSION WITH HEMP EXCEPTION FOR GENERAL LIABILITY COVERAGES
MUS 01 01 70046 0824 AD - EXCLUSION - VIOLATION OF LAW ADDRESSING DATA PRIVACY (INCLUDING BIOMETRIC INFORMATION)
CA 27 19 01 24 AD - PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCES (PFAS) EXCLUSION FOR GENERAL LIABILITY COVERAGES
IL N 101 11 15 TX NOTICE TO INSURANCE CLAIMANTS FOR MOTOR VEHICLE REPAIRS

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

Policy Number: **MP0042037000690**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINIMUM EARNED PREMIUM ENDORSEMENT

This endorsement modifies insurance provided under the following:

THIS ENDORSEMENT APPLIES TO ALL COVERAGE PARTS

If this insurance is cancelled at your request, there will be a minimum earned premium retained by Mesa Underwriters Specialty Insurance Company of \$ _____ or 25 % of the premium for this insurance, whichever is greater.

Cancellation of this insurance for nonpayment of premium is considered a request by the first Named Insured for cancellation of this insurance.

The provisions of this amendment 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 minimum earned premium.

All other terms and conditions of this policy remain unchanged.

**MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY**

**PRIVACY POLICY
For
MESA UNDERWRITERS SPECIALTY INSURANCE COMPANY**

Mesa Underwriters Specialty Insurance Company understands the importance placed by our customers on the privacy and safeguarding of their personal information. The Company intends and is obligated to protect all nonpublic personal information provided to the Company by our customers. Whether a consumer is already a policyholder or is applying for insurance or is a claimant, the Company will maintain the confidentiality and security of all individual's personal information as required by law.

In order to meet our customers' insurance needs and to comply with business, regulatory and legal obligations we are required to collect and at times, use personal information. The Company does not disclose personal information about customers, potential or former, for marketing purposes to nonaffiliated third parties. The Company may gather information from a variety of sources including but not limited to the Company's affiliates, consumer reporting agencies such as credit bureaus, property inspection services and other non-affiliated third party organizations. We do not disclose any personal information about our customers, except as follows:

- 1) with consumer/customer consent,
- 2) as required by law,
- 3) as permitted by law
- 4) as necessary or appropriate to underwrite, administer, service, effect, process or enforce an insurance policy that we have issued (or are considering issuing), or
- 5) as necessary to otherwise service a customer's policy or effect a customer

When necessary, the Company may disclose nonpublic personal information to a nonaffiliated organization that is performing services relative to the policy or our operation, we require that such third parties use and disclose the information only as necessary relating to the service or function that they are performing on our behalf. It is important that the Companies' employees be aware of and abide by this Privacy Policy and the applicable laws governing the use, handling and disclosure of nonpublic personal information. Our employees may not access nonpublic personal information maintained by the Company on a general basis. Company employees will have access to personal nonpublic information of applicants, policyholders or claimants if this information relates to their job performance for the Company. The Company will maintain adequate safeguards to protect the confidentiality and security of the nonpublic personal information that we obtain. Employees may not disclose or use nonpublic personal information except as authorized by the Company or as permitted or required by law. If an employee fails to comply with these requirements this may lead to appropriate disciplinary action by the Company up to, and including, dismissal.

This Privacy Policy applies to individuals who are applicants, policyholders, or claimants under insurance products or services obtained from the Company primarily for personal, family or household purposes; it does not apply to products or services obtained for business, commercial or agricultural purposes.

The Company will provide notice of its privacy policy to its customers not less than annually, while the policyholder maintains a relationship with us.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

TEXAS COMPLAINT NOTICE

Figure: 28 TAC §1.601(a)(2)(B)

Have a complaint or need help?

If you have a problem with a claim or your premium, call your insurance company or HMO first. If you can't work out the issue, the Texas Department of Insurance may be able to help.

Even if you file a complaint with the Texas Department of Insurance, you should also file a complaint or appeal through your insurance company or HMO. If you don't, you may lose your right to appeal.

Mesa Underwriters Specialty Insurance Company

To get information or file a complaint with your insurance company or HMO:

Call: Mesa Underwriters Specialty Insurance Company at 480-306-8300

Toll-free: 1-866-547-0868

Email: musicinfo@music-ins.com

Mail: Mesa Underwriters Specialty Insurance Company

P.O. Box 4030

Scottsdale, AZ 85261-4030

The Texas Department of Insurance

To get help with an insurance question or file a complaint with the state:

Call with a question: 1-800-252-3439

File a complaint: www.tdi.texas.gov

Email: ConsumerProtection@tdi.texas.gov

Mail: Consumer Protection, MC: CO-CP, Texas Department of Insurance, PO Box 12030, Austin, TX 78711-2030

¿Tiene una queja o necesita ayuda?

Si tiene un problema con una reclamación o con su prima de seguro, llame primero a su compañía de seguros o HMO. Si no puede resolver el problema, es posible que el Departamento de Seguros de Texas (Texas Department of Insurance, por su nombre en inglés) pueda ayudar.

Aun si usted presenta una queja ante el Departamento de Seguros de Texas, también debe presentar una queja a través del proceso de quejas o de apelaciones de su compañía de seguros o HMO. Si no lo hace, podría perder su derecho para apelar.

Mesa Underwriters Specialty Insurance Company

Para obtener información o para presentar una queja ante su compañía de seguros o HNO:

Llame a: Mesa Underwriters Specialty Insurance Company a 480-306-8300

Teléfono gratuito: 1-866-547-0868

Correo electrónico: musicinfo@music-ins.com

Dirección postal: Mesa Underwriters Specialty Insurance Company

P.O. Box 4030

Scottsdale, AZ 85261-4030

El Departamento de Seguros de Texas

Para obtener ayuda con una pregunta relacionada con los seguros o para presentar una queja ante el estado:

Llame con sus preguntas al: 1-800-252-3439

Presente una queja en: www.tdi.texas.gov

Correo electrónico: ConsumerProtection@tdi.texas.gov

Dirección postal: Consumer Protection, MC: CO-CP, Texas Department of Insurance, PO Box 12030, Austin, TX 78711-2030

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

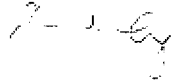
THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SERVICE OF SUIT TEXAS

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

Service of legal process against us upon any cause of action arising in Texas under this policy may be made upon Corporation Service Company, d/b/a CSC-Lawyers Incorporating Service, 211 E. 7th Street, Suite 620, Austin, TX 78701-3218.

A handwritten signature in black ink, appearing to read "J. J. Ly", is positioned above the text "Authorized Representative".

Authorized Representative

TEXAS PERIOD TO FILE A CLAIM OR BRING LEGAL ACTION AGAINST US NOTICE – WINDSTORM OR HAIL – CATASTROPHE AREA

This Notice does not form a part of your insurance contract. No coverage is provided by this Notice, nor can it be construed to replace any provisions of your policy (including its endorsements). If there is any conflict between this Notice and the policy (including its endorsements), **the provisions of the policy (including its endorsements) shall prevail.**

Carefully read your policy, including the endorsements attached to your policy.

In accordance with Texas Insurance Code Section 2301.010(f), we are notifying you that:

1. With respect to loss or damage in the State of Texas caused by windstorm or hail in the catastrophe area, as defined by the Texas Insurance Code, any claim must be filed with us not later than one year after the date of the loss or damage that is the subject of the claim, except that a claim may be filed after the first anniversary of the date of the loss or damage for good cause shown by the person filing the claim; and
2. Any legal action brought against us under the policy for loss or damage in the State of Texas caused by windstorm or hail in the catastrophe area, as defined by the Texas Insurance Code, must be brought within the earlier of the following:
 - a. Two years and one day from the date we accept or reject the claim; or
 - b. Three years and one day from the date of the loss or damage that is the subject of the claim.

FRAUD STATEMENT

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – EARTH MOVEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORM
FARM LIABILITY COVERAGE FORM
GARAGE COVERAGE FORM
AUTO DEALERS COVERAGE FORM

A. The following exclusion is added to the **Exclusions** section of each the following coverage forms:

Commercial General Liability Coverage Form CG 00 01, SECTION I - COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, paragraph 2. Exclusions;

Owners and Contractors Coverage Form CG 00 09, SECTION I – COVERAGES - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, paragraph 2. Exclusions;

Farm Liability Coverage Form FL 00 20, SECTION I - COVERAGES, COVERAGE H - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, paragraph 2. Exclusions;

Garage Coverage Form CA 00 05, SECTION II – LIABILITY COVERAGE, B - Exclusions;

Auto Dealers Coverage Form CA 00 25, SECTION II - GENERAL LIABILITY COVERAGES, A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY paragraph 2. Exclusions;

Earth Movement

This insurance does not apply to "bodily injury" or "property damage" arising out of "earth movement". This exclusion applies:

- (1) regardless of whether the "earth movement" is naturally occurring or human-made; and
- (2) regardless of whether the "earth movement" is:
 - (a) caused by or alleged to have been caused by, in whole or in part; or
 - (b) aggravated by or alleged to have been aggravated by:

"your work", or the work of a contractor or any persons working for or on its behalf, arising out of and in the course of performing work related to the conduct of any insured's business.

B. The following definition is added to the **DEFINITIONS** section of each coverage form listed above:

"Earth movement" means:

- a. Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- b. Landslide, including mudflow, any earth sinking, rising or shifting related to such event;
- c. Mine subsidence, meaning subsidence of a human-made mine whether or not mining activity has ceased; or
- d. Earth sinking, rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

C. For the purpose of this endorsement, "your work":

a. Means:

- (1) Work or operations performed by you or on your behalf; or
- (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.

All other terms and conditions of this policy remain unchanged.

AUTO DEALERS Coverage Part Declarations

MESA UNDERWRITERS
SPECIALTY INSURANCE
COMPANY A Stock Company
40 Wantage Avenue, Branchville, NJ 07890

ITEM ONE

Named Insured: Bone's Custom Cycles
Policy Number: MP0042037000690
Effective Date: 08/10/2025

ITEM TWO - SCHEDULE OF COVERAGES AND COVERED AUTOS:

This policy provides only those coverages where a charge and limit, if applicable, are shown in the columns below. Each of the "auto"-related coverages will apply only to those "autos" shown as covered "autos". "Autos" are shown as covered "autos" for the applicable coverages by the entry of one or more of the symbols from SECTION I - COVERED AUTOS COVERAGES of the AUTO DEALERS COVERAGE FORM next to the name of the "auto" related coverage.

COVERAGES	COVERED AUTOS	LIMITS OF INSURANCE	PREMIUM
LIABILITY			
Covered Autos Liability	29	\$ 1,000,000 Each Accident	\$ 1,562
General Liability Bodily Injury And Property Damage Liability		\$ 1,000,000 Each Accident	
		\$ 2,000,000 General Liability Aggregate	
		\$ 2,000,000 Products And Work You Performed Aggregate	
Damages To Premises Rented To You		\$ Any One Premises	\$
Personal And Advertising Injury Liability		\$ Any One Person or Organization	\$
Locations And Operations Medical Payments		\$ Any One Person	\$
Acts, Errors Or Omissions Liability		SEE LIMITS OF INSURANCE IN ITEM EIGHT OF DECLARATIONS	\$
Auto Medical Payments		\$ Each Insured - See Item Seven Schedule of Specifically Described "Autos"	\$
Hired Auto			\$
GARAGEKEEPERS ("Autos" left with you for service, repair, storage, or safekeeping)			
Specified Causes of Loss			\$
Comprehensive	30	SEE LIMITS OF INSURANCE IN ITEM FIVE OF DECLARATIONS	\$ 595
*Theft of "Customer's Autos"			\$
Collision	30		\$ 524
Garagekeepers In-Transit (In-Tow) Coverage			\$
PHYSICAL DAMAGE			
Specified Causes of Loss		SEE LIMITS OF INSURANCE IN ITEM SIX OF DECLARATIONS	\$
Comprehensive			\$
*Theft of "Autos"			\$
Collision			\$
OTHER COVERAGES			
Uninsured Motorist		SEPARATELY STATED IN THE ENDORSEMENT	\$
Underinsured Motorist (When Not Included In Uninsured Motorists Coverage)		SEPARATELY STATED IN THE ENDORSEMENT	\$
Personal Injury Protection (or equivalent No-fault Coverage)		SEPARATELY STATED IN THE ENDORSEMENT	\$
Drive-Away Operations		SEE ITEM NINE OF DECLARATIONS	\$
Form(s) and endorsement(s) applying to this coverage form and made a part of this policy at the time of inception:		See Schedule of Forms and Endorsements Premium for Endorsements (if applicable)	\$ 100
		Total Policy Premium	\$ 2,781
Number of Dealer Plates/Transport Tags		CHECK HERE IF MINIMUM PREMIUM APPLIES	

This Coverage Part consists of this Declarations Form, the Common Policy Conditions, the Auto Dealer Coverage Form, the Coverage Form(s), and the Coverage Endorsement(s) indicated as applicable.

AUTO DEALERS Coverage Part Declarations - continued

ITEM THREE - LOCATIONS WHERE YOU CONDUCT AUTO DEALERS OPERATIONS

LOC. NO.	Street	Complete Location Address City	State	Zip
1.	141 Wawi Tijerina Parkway	Laredo	TX	78043
2.				
3.				
4.				
5.				

ITEM FOUR - LIABILITY COVERAGES - PREMIUMS

LOC. NO.	Rating Units (Dealers)	Payroll (Non-Dealers)	Rate Per \$100 of Payroll	Premium
1.		10,400	\$15.01	\$1,562
2.				
3.				
4.				
5.				

ITEM FIVE - GARAGEKEEPERS COVERAGES AND PREMIUMS

GARAGEKEEPERS COVERAGE applies on a legal liability basis unless a Direct Coverage Option has been selected indicated by an "X" entered below.

Direct Coverage Options:

- PRIMARY INSURANCE Garagekeepers Coverage is changed to apply without regard to your or any other "insured's" legal liability for "loss" to a covered "customer's auto" and is Primary Insurance.
- EXCESS INSURANCE Garagekeepers Coverage remains applicable on a legal liability basis. However, coverage also applies without regard to your or any other "insured's" legal liability for "loss" to a "customer's auto" on an excess basis over any other collectible insurance regardless of whether the other insurance covers your or any other "insured's" interest or the interest of the "customer's auto's" owner.

LOC. NO.	Coverages	Limit of Insurance and Deductible for Each Location	Premium For Each Location
1.	Specified Causes of Loss OR Comprehensive	\$100,000 \$50,000 \$1,000 \$5,000 Limit Of Insurance Maximum Limit For Loss to Any One Auto Minus Deductible For Each Covered Auto For Loss subject to a Maximum Deductible For All Such Loss In Any One Loss Unless stated elsewhere in this policy.	Specified Causes of Loss \$ Comprehensive \$ 595
	Check if applicable	Theft of "Customer's Autos" at Unprotected Buildings or Premises	\$
	Collision	\$100,000 \$1,000 Limit Of Insurance Minus Deductible For Each Covered Auto	Collision \$ 524
2.	Specified Causes of Loss OR Comprehensive	\$ \$ \$ \$ Limit Of Insurance Maximum Limit For Loss to Any One Auto Minus Deductible For Each Covered Auto For Loss subject to a Maximum Deductible For All Such Loss In Any One Loss Unless stated elsewhere in this policy.	Specified Causes of Loss \$ Comprehensive \$
	Check if applicable	Theft of "Customer's Autos" at Unprotected Buildings or Premises	\$
	Collision	\$ \$ Limit Of Insurance Minus Deductible For Each Covered Auto	Collision \$

AUTO DEALERS Coverage Part Declarations - continued

LOC. NO	Coverages	Limit of Insurance and Deductible for Each Location	Premium For Each Location
3.	Specified Causes of Loss OR Comprehensive	\$ Limit Of Insurance \$ Maximum Limit For Loss to Any One Auto Minus \$ Deductible For Each Covered Auto For Loss subject to a \$ Maximum Deductible For All Such Loss In Any One Loss Unless stated elsewhere in this policy.	Specified Causes of Loss \$ Comprehensive \$
	Check if applicable	Theft of "Customer's Autos" at Unprotected Buildings or Premises	\$
	Collision	\$ Limit Of Insurance Minus \$ Deductible For Each Covered Auto	Collision \$
	Specified Causes of Loss OR Comprehensive	\$ Limit Of Insurance \$ Maximum Limit For Loss to Any One Auto Minus \$ Deductible For Each Covered Auto For Loss subject to a \$ Maximum Deductible For All Such Loss In Any One Loss Unless stated elsewhere in this policy.	Specified Causes of Loss \$ Comprehensive \$
4.	Check if applicable	Theft of "Customer's Autos" at Unprotected Buildings or Premises	\$
	Collision	\$ Limit Of Insurance Minus \$ Deductible For Each Covered Auto	Collision \$
	Specified Causes of Loss OR Comprehensive	\$ Limit Of Insurance \$ Maximum Limit For Loss to Any One Auto Minus \$ Deductible For Each Covered Auto For Loss subject to a \$ Maximum Deductible For All Such Loss In Any One Loss Unless stated elsewhere in this policy.	Specified Causes of Loss \$ Comprehensive \$
	Check if applicable	Theft of "Customer's Autos" at Unprotected Buildings or Premises	\$
5.	Specified Causes of Loss OR Comprehensive	\$ Limit Of Insurance \$ Maximum Limit For Loss to Any One Auto Minus \$ Deductible For Each Covered Auto For Loss subject to a \$ Maximum Deductible For All Such Loss In Any One Loss Unless stated elsewhere in this policy.	Specified Causes of Loss \$ Comprehensive \$
	Check if applicable	Theft of "Customer's Autos" at Unprotected Buildings or Premises	\$
	Collision	\$ Limit Of Insurance Minus \$ Deductible For Each Covered Auto	Collision \$
	Check if applicable	Theft of "Customer's Autos" at Unprotected Buildings or Premises	\$
TOTAL PREMIUM			\$ 1,119

Garagekeepers In-Transit (In-Tow) Schedule

NO.	Description of tow truck or wrecker transporting a covered "customer's auto" (Year, Make, Model and VIN)	Maximum Limit of Insurance for a "customer's auto" In-Transit	Minus Deductible for each "customer's auto"			Premium
			Collision	Specified Causes of Loss	Comprehensive	
1.						
2.						
3.						
4.						
5.						

AUTO DEALERS Coverage Part Declarations - continued

ITEM SIX - PHYSICAL DAMAGE COVERAGE FOR DEALERS AND NON-REPORTING PREMIUM.

Each of the following Physical Damage coverages that is indicated in ITEM TWO applies only to the type of "autos" and interests indicated below by "X"

LOC. NO.	Coverages	Limit of Insurance and Deductible for Each Location	Premium For Each Location
	Used Autos	Your interest in covered "autos" you own	
	New Autos	Your interest and the interest of any creditor named as loss payee	
		All interests in covered "autos" while in your possession on consignment for sale	
1.	Specified Causes of Loss OR Comprehensive	Limit Of Insurance Maximum Limit For Loss to Any One Auto Minus Deductible For Each Covered Auto For Loss Subject to a Maximum Deductible For All Such Loss In Any One Loss Unless stated elsewhere in this policy.	Specified Causes of Loss \$ \$ \$ \$ \$
	Check if applicable	Theft of "Autos" at Unprotected Buildings or Premises	\$
	Collision	Limit Of Insurance Minus Deductible For Each Covered Auto	Collision \$
2.	Specified Causes of Loss OR Comprehensive	Limit Of Insurance Maximum Limit For Loss to Any One Auto Minus Deductible For Each Covered Auto For Loss Subject to a Maximum Deductible For All Such Loss In Any One Loss Unless stated elsewhere in this policy.	Specified Causes of Loss \$ \$ \$ \$ \$
	Check if applicable	Theft of "Autos" at Unprotected Buildings or Premises	\$
	Collision	Limit Of Insurance Minus Deductible For Each Covered Auto	Collision \$
3.	Specified Causes of Loss OR Comprehensive	Limit Of Insurance Maximum Limit For Loss to Any One Auto Minus Deductible For Each Covered Auto For Loss Subject to a Maximum Deductible For All Such Loss In Any One Loss Unless stated elsewhere in this policy.	Specified Causes of Loss \$ \$ \$ \$ \$
	Check if applicable	Theft of "Autos" at Unprotected Buildings or Premises	\$
	Collision	Limit Of Insurance Minus Deductible For Each Covered Auto	Collision \$
4.	Specified Causes of Loss OR Comprehensive	Limit Of Insurance Maximum Limit For Loss to Any One Auto Minus Deductible For Each Covered Auto For Loss Subject to a Maximum Deductible For All Such Loss In Any One Loss Unless stated elsewhere in this policy.	Specified Causes of Loss \$ \$ \$ \$ \$
	Check if applicable	Theft of "Autos" at Unprotected Buildings or Premises	\$
	Collision	Limit Of Insurance Minus Deductible For Each Covered Auto	Collision \$
5.	Specified Causes of Loss OR Comprehensive	Limit Of Insurance Maximum Limit For Loss to Any One Auto Minus Deductible For Each Covered Auto For Loss Subject to a Maximum Deductible For All Such Loss In Any One Loss Unless stated elsewhere in this policy.	Specified Causes of Loss \$ \$ \$ \$ \$
	Check if applicable	Theft of "Autos" at Unprotected Buildings or Premises	\$
	Collision	Limit Of Insurance Minus Deductible For Each Covered Auto	Collision \$
TOTAL PREMIUM			\$

AUTO DEALERS Coverage Part Declarations - continued

Our Limit of Insurance for "loss" at locations other than those stated in ITEM THREE is

\$ At additional locations where you store covered "autos" and

\$ While in transit.

However, there is no coverage if "loss" occurs more than 45 days after your use of the location begins

Loss Payee All Physical Damage loss is payable to you and the loss payee named below according to their interests in the auto at the time of the loss:

ITEM SEVEN - SCHEDULE OF SPECIFICALLY DESCRIBED "AUTOS"

NO.	Year	Make	Body Type	Vehicle Identification Number
1.				
2.				
3.				
4.				
5.				

NO.	GVW	Use	Radius	Code	Loss Payee
1.					
2.					
3.					
4.					
5.					

COVERAGES (Will apply as indicated by entry of a premium.)

NO.	Liability	Specified Causes of Loss		Comprehensive		Collision		Medical Payments	Uninsured/Underinsured Motorist	Personal Injury Protection
	Premium	Deductible	Premium	Deductible	Premium	Deductible	Premium	Premium	Premium	Premium
1.										
2.										
3.										
4.										
5.										
Total										

AUTO DEALERS Coverage Part Declarations - continued

ITEM EIGHT – “ACTS, ERRORS OR OMISSIONS” LIABILITY

COVERAGES only apply as indicated in the Schedule below, for the “act, error or omission” definition contained in Section V – Definitions, Paragraph B . If a coverage is not selected it is excluded and the coverage definition will not apply.		
Coverages		Premium
A. Subparagraph 1., related to truth in lending		\$
B. Subparagraph 2., related to odometer		\$
C. Subparagraph 3., related to insurance agents or brokers		\$
D. Subparagraph 4., related to title		\$
Limit and Deductible		Total Premium
\$	Aggregate Limit subject to a	\$
\$	Deductible each claim	

ITEM NINE - DRIVE-AWAY OPERATIONS (PICK-UP AND DELIVERY) LIABILITY AND PHYSICAL DAMAGE

The limit of three hundred (300) miles described in the Drive-Away Operations Exclusion contained in the **Additional Exclusions and Limitations** endorsement is extended by completion of the following:

Extended to _____ miles for an additional premium of \$ _____

Forms/ Endorsements Applicable - See Schedule of Forms and Endorsements

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
NUCLEAR ENERGY LIABILITY EXCLUSION
ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 FARM COVERAGE PART
 LIQUOR LIABILITY COVERAGE PART
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART
 UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

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

- (1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, 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" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial 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, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" 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 "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.

2. As used in this endorsement:

"Hazardous properties" includes 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 **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"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.

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

Policy Number: MP0042037000690

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE OF OPERATIONS

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

In consideration of the premium charged it is agreed there is no coverage for any "bodily injury", "property damage", "personal and advertising injury", "acts, errors or omissions", "accident" or "loss" arising from operations, activities or events not scheduled below .

"Auto Dealers Operations":

Class Code	Description of Operations:
7921	Motorcycle Repair

General Liability Coverages - Included in "Auto Dealers Operations":

Class Code	Classification Description	Premium Basis* / Exposure	Rate		Advanced Premium
			Premises / Operations	Products / Completed Operations	
*Premium Basis Types: p - Payroll (per \$1,000 of Payroll) c - Cost (per \$1,000 Total Cost) s - Sales (per \$1,000 Gross Sales) a - Area (per 1,000 Square feet of area) m - Admissions (per 1,000 Admissions) u - Units (per Unit) t - Total (per each)					
Total Annual Premium:					\$

All other terms and conditions of this policy remain unchanged.

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL EXCLUSIONS AND LIMITATIONS

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

SECTION V – DEFINITIONS item **E.** "Auto dealer operations" is deleted and replaced with:

E. "Auto dealer operations" means:

1. The ownership, maintenance or use of locations for an "auto" dealership and that portion of the roads or other accesses that adjoin these locations;
2. "Auto" service and repair operations and that portion of the roads or other accesses that adjoin these locations.

"Auto dealer operations" also include all operations necessary or incidental to an "auto" dealership or an "auto" service and repair operation.

Throughout this policy the following terms are amended:

1. The term dealership also includes service and repair operations.
2. The term "auto" dealer locations also includes service and repair locations.

CHANGES IN SECTION I – COVERED AUTOS COVERAGES

A. Description of Covered Auto Designation Symbols

31	Dealers "Autos" and "Autos" Held For Sale By Non-Dealers or Trailer Dealers (Physical Damage Coverages)	Any "autos" and the interests in these "autos" described in Item Six of the Declarations
----	---	--

D. Covered Autos Liability Coverage

1. Item **2. Who Is An Insured**, paragraph **b. (3)** is deleted and replaced with:

(3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking, storing, maintaining, towing, or transporting "autos" unless that business is yours.

2. The following exclusions are added to Item **4. Exclusions:**
Criminal Acts

"Bodily injury" or "property damage" arising out of a criminal act committed by or at the direction of the "insured".

Drive-Away Operations

We will not pay for "loss" which occurs while any covered "auto" is being driven or transported from the location where you first acquired the covered "auto" to its final destination if the driving distance between such points is more than 300 miles unless this limit is extended by Item Nine Drive-Away Schedule on the Auto Dealers Coverage Part Declarations.

Radius of Operation – Specifically Described "Autos"

"Bodily injury" or "property damage" which occurs while a covered "auto" specifically described in Item Seven – Schedule of Specifically Described "Autos" in the Auto Dealers Coverage Part Declarations is being driven beyond the stated radius.

Repossession

"Bodily injury" or "property damage" caused by, arising out of or resulting from any act of repossession, including wrongful repossession.

Shared Lot

"Bodily injury" or "property damage" arising out of the operations of, activities of, areas controlled by, property of, or "auto" of any other entity except one specifically insured under the policy.

Tires

- (1) Used Tires: "Bodily injury" or "property damage" arising out of used tires that the insured manufactured, sold, repaired, rebuilt, refurbished or installed, including but not limited to recap, retread, plugged and used tires.
- (2) Sale of tires manufactured more than 5 years before the date sold by you.
- (3) Any structural work including the welding or straightening of a wheel or rim.

Transfer of Ownership or Surrender of Possession

"Bodily injury" or "property damage" occurring after either ownership of an "auto" is transferred or possession of an "auto" is surrendered to another person pursuant to sale, conditional sale, gift, abandonment, or lease.

Transporting & Towing of Autos

"Bodily injury" or "property damage" arising out of the ownership, operations, maintenance or use of any "auto" that is not identified in Item Seven – Schedule of Specifically Described "Autos" in the Auto Dealers Coverage Part Declarations used to tow, carry, haul or move "autos". This exclusion does not apply if your business is shown in the Auto Dealers Coverage Part Declarations as an "auto" dealership and a tow dolly you own or an "auto" that you hold for sale is temporarily used to tow, carry, haul or move owned "autos".

E. Garagekeepers Coverage

1. Item 4. **Exclusions** paragraph a. (2). **Theft** is deleted and replaced with:

a. (2) Theft or Conversion

We will not pay for "loss" caused by or resulting from:

- a) Theft, conversion or other dishonest acts caused in any way by:
 - 1) You, your "employees" or authorized representatives, or anyone else entrusted with the property, or by your shareholders;
 - 2) Anyone else with an interest in the property, their "employees" or authorized representatives or anyone else entrusted with the property, or by their shareholders;
- b) Theft if at the time of "loss" the "keys" for the stolen "customer's auto" were in or on the "customer's auto".

2. Item 4. **Exclusions**, the following sub - paragraphs are added to paragraph a:

Transporting and Towing of "Customer's Autos"

"Loss" to a "customer's auto" arising from its transport, towing, putting on or off the towing apparatus by any "insured" unless the transporting or towing "auto" is scheduled in Item FIVE - Garagekeepers In-Transit (In-Tow) Schedule of the Auto Dealers Coverage Part Declarations

Consigned, Owned and Any "Autos" held for sale

"Loss due to any "auto" held for sale or consignment

Repossession

"Loss" to any "customer's auto" arising from repossession operations.

Earth Movement, "Flood and "Volcanic Action"

When Garagekeepers Coverage is written on a Direct Primary basis, as indicated on the Auto Dealers Coverage Part Declarations, we will not pay for "loss" or damage caused by, resulting from or arising directly or indirectly from:

- a) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;

Landslide, including mudflow, any earth sinking, rising or shifting related to such event;

Mine subsidence, meaning subsidence of a man-made mine whether or not mining activity has ceased; or

Earth sinking, rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if any of these result in fire or explosion that cause "loss" or damages, we will pay for the resulting "loss" or damages.

- a) "Flood" caused by earthquake, landslide, mudflow, mine subsidence or earth sinking, rising or shifting.
- b) "Volcanic action" eruption, explosion or effusion. But if any of these result in fire or explosion that cause "loss" or damages, we will pay for the resulting "loss" or damages.

1. Item **5. Limits of Insurance And Deductibles** is deleted and replaced with:

- a. Regardless of the number of "customer's autos", "insureds", premiums paid, claims made or "suits" brought, the most we will pay for each "loss" at each location is the Garagekeepers Coverage Limit of Insurance shown in Item Five of the Auto Dealers Coverage Part Declarations for that location minus the applicable deductibles shown in Item Five of the Auto Dealers Coverage Part Declarations.
- b. The maximum deductible stated in the Auto Dealers Coverage Part Declarations for Garagekeepers Coverage is the most that will be deducted for all "loss" in any one event.
- c. To settle a claim or "suit", we may pay all or any part of the deductible at our sole discretion. If this occurs, you must reimburse us for the deductible or that portion of the deductible that we paid.
- d. The most we will pay for "loss" to any one "customer's auto" and "customer's auto" equipment is the lesser of the customer's "autos" "actual cash value" at the time of "loss", or the cost of repairing or replacing the "customer's auto". An adjustment for the depreciation and physical condition will be made in determining the "actual cash value" in the event of a total "loss".
- e. In the event of payment of "actual cash value" for a total "loss" we are entitled to all salvage, or credit for salvage resulting from such "loss".
- f. Regardless of the value of each "customer's auto", the most we will pay for "loss" to any one "customer's auto" is \$50,000 unless a different Maximum Limit for Loss to Any One Auto is shown in ITEM FIVE – of the Auto Dealers Coverage Part Declarations.

F. Physical Damage Coverage

1. Item **3. Exclusions**, the following sub-paragraphs are added to paragraph **a.:**

Theft or Conversion

We will not pay for "loss" caused by or resulting from:

- a) Theft, conversion or other dishonest acts caused in any way by:

- 1) You, your "employees" or authorized representatives, or anyone else entrusted with the property, or by your shareholders; or
- 2) Anyone else with an interest in the property, their "employees" or authorized representatives or anyone else entrusted with the property, or by their shareholders, or by anyone involved in

the sale or purchase of the vehicle by you (including but not limited to the seller).

b) Theft if at the time of "loss" the "keys" for the stolen "auto" were in or on the "auto".

"Autos" Used for Transporting & Towing

We will not pay for "loss" caused by or resulting from ownership, operations, maintenance or use of any "auto" that is not identified in Item Seven – Schedule of Specifically Described "Autos" in the Auto Dealers Coverage Part Declarations used to tow, carry, haul or move "autos". This exclusion does not apply if your business is shown in the Auto Dealers Coverage Part Declarations as an "auto" dealership and a tow dolly you own or an "auto" that you hold for sale is temporarily used to tow, carry, haul or move owned "autos".

Earth Movement, "Flood" and "Volcanic Action"

We will not pay for "loss" or damage caused by, resulting from or arising directly or indirectly from:

b) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;

Landslide including mudflow, any earth sinking, rising or shifting related to such event;

Mine subsidence, meaning subsidence of a man-made mine whether or not mining activity has ceased; or

Earth sinking, rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if any of these result in fire or explosion that cause "loss" or damages, we will pay for the resulting "loss" or damages.

b) "Flood" caused by earthquake, landslide, mudflow, mine subsidence or earth sinking, rising or shifting.

c) "Volcanic action", eruption, explosion or effusion. But if any of these result in fire or explosion that cause "loss" or damages, we will pay for the resulting "loss" or damages.

2. Item 3. **Exclusions, c. False Pretense** paragraph (2) is deleted and replaced with:

(2) Your acquiring an "auto" from a seller who did not have legal title or who is otherwise without legal or equitable right to transfer ownership of the vehicle to you."

3. Item 3. **Exclusions d. (3)** is deleted and replace with:

(3) "Loss" to any covered "auto" being driven or transported from the location where you first acquired the covered "auto" to its final destination if the driving distance between such points is more than 300 miles unless this limit is extended by Item Nine Drive-Away Operations on the Auto Dealers Coverage Part Declarations.

4. Item 4. **Limits of Insurance** – the following is added to paragraph a. (1):

In the event payment of "actual cash value" for a total "loss" we are entitled to all salvage or credit for salvage resulting from such "loss"; and

Regardless of the value of each "auto", the most we will pay for "loss" to any one "auto" is \$50,000 unless a different Maximum Limit for Loss to Any One Auto is shown in ITEM SIX of the Auto Dealers Coverage Part Declarations.

5. Item 4. **Limits of Insurance**, the first sentence of paragraph d. is deleted and replaced with:

If your business is shown in the Auto Dealers Coverage Part Declarations as an "auto" dealer, the following provisions apply:

6. Item **5. Deductible** is deleted and replaced with:

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in Item Six of the Auto Dealers Coverage Part Declarations.

Regardless of the number of covered "autos" damaged or stolen, the maximum deductible stated in Item Six of the Auto Dealers Coverage Part Declarations is the most that will be deducted for all "loss" in any one event.

CHANGES IN SECTION II – GENERAL LIABILITY COVERAGES

1. Paragraph **A. Bodily Injury and Property Damage**, Item **2. Exclusions**, paragraph **o. Liquor Liability** is deleted and replaced with:

o. 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, including causing or contributing to the intoxication of any person because alcoholic beverages were permitted to be brought on your premises, for consumption on your premises;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol;
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages;
- (4) The manufacture, sale or distribution of alcoholic beverages;
- (5) The serving or furnishing of alcoholic beverages with or without a charge, whether a license is required for such an activity or not; or
- (6) The use of any alcoholic beverage in any other capacity.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "accident" which caused the "bodily injury" or "property damage", involved that which is described in Paragraphs **(1), (2), (3), (4), (5) or (6)** above.

2. The following exclusions are added to paragraph **A. Bodily Injury and Property Damage**, item **2. Exclusions**:

Animal

"Bodily injury", "property damage" or "personal and advertising injury" relating to or arising from animals, including the failure to train, supervise, or control animal(s). This includes injuries or damages caused by or originating from any domestic or non-domestic animal, whether owned by or in the care, custody or control of, the insured, an employee, agent or any other person.

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.

Criminal Acts

"Bodily injury" or "property damage" arising out of a criminal act committed by or at the direction of the "insured".

Lethal Weapons

"Bodily injury", "property damage" or "personal and advertising injury" arising out of or resulting from the possession, ownership, maintenance, use of or threatened use of a lethal weapon, including but not limited to firearms by any person.

Pawn and Title

"Bodily injury" or "property damage" arising out of any pawn operations or title pawn operations.

Refrigerated Truck and Trailer

"Bodily injury" or "property damage" caused by or resulting from changes in temperature or humidity within any refrigerated truck or trailer sold or repaired by the insured resulting in damage, including but not limited to spoilage, discoloration, bruising, spotting, sourness, decay, decomposition, freezing or thawing.

Repossession

"Bodily injury" or "property damage" caused by, arising out of or resulting from any act of repossession, including wrongful repossession.

Shared Lot

"Bodily injury" or "property damage" arising out of the operations of, activities of, areas controlled by, property of, or "auto" of any other entity except one specifically insured under the policy.

Tires

- (1) Used Tires: "Bodily injury" or "property damage" arising out of used tires that the insured manufactured, sold, repaired, rebuilt, refurbished or installed, including but not limited to recap, retread, plugged and used tires.
- (2) Sale of tires manufactured more than 5 years before the date sold by you.
- (3) Any structural work including the welding or straightening of a wheel or rim.

Transfer of Ownership or Surrender of Possession

"Bodily injury" or "property damage" occurring after either ownership of an "auto" is transferred or possession of an "auto" is surrendered to another person pursuant to sale, conditional sale, gift, abandonment, or lease.

3. Paragraph **B. Personal and Advertising Injury Liability**, item **2. Exclusions**, paragraph **i. Infringement of Copyright, Patent, Trademark Or Trade Secret** is deleted and replaced with:

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret "Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

CHANGES IN SECTION V - DEFINITIONS

1. Item **F.** "Bodily injury" is deleted and replaced with:

F. "Bodily injury" means physical injury, sickness, or disease sustained by a person including death resulting from any of these. "Bodily injury" does not include emotional distress, mental anguish, humiliation, mental distress, mental injury, anxiety, inconvenience, depression, dissatisfaction, or shock to the nervous system or any similar injury, including physical manifestation of any of the foregoing, unless arising out of other underlying actual physical injury to that person.

2. Item **G.** "Covered pollution cost or expense", paragraphs **1.** and **2.** are deleted and replaced with:

1. Any request, demand, order or statutory or regulatory requirement; or
2. Any claim or "suit" by or on behalf of a governmental authority demanding that the "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".

3. Item **J.** "Employee" is deleted and replaced with:

J. "Employee" includes:

1. A "leased worker" and "temporary worker" whether paid or acting as a volunteer.
2. A "contract driver". "Contract driver" is defined as any person hired on a temporary basis for pick-up and delivery of an "auto" with no commercial insurance of their own in place.

4. Item **N**. "Insured Contract", Paragraph **1** . is deleted and replaced with:

1. A lease of premises. However, that portion of the lease that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you is not an "insured contract".

Paragraph **7** . Is deleted entirely.

5. Item **R**. " Personal and Advertising Injury" is deleted and replaced with:

R. "Personal and Advertising Injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- 1.** False arrest, detention or imprisonment;
- 2.** Malicious prosecution;
- 3.** The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- 4.** Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
or
- 5.** Oral or written publication, in any manner, of material that violates a person's right of privacy.

6. The following definitions are added:

"Actual Cash Value" means the amount it would cost to repair or replace a "customer's auto" or covered "auto", at the time of loss or damage, with material of like kind and quality, subject to deduction for deterioration, depreciation and obsolescence. "Actual cash value" applies to valuation of a "customer's auto" or covered "auto" regardless of whether the "auto" sustained partial or total loss or damage. The "actual cash value" of a damaged "auto" may be significantly less than its replacement cost.

"Flood" means a general and temporary condition of partial or complete inundation of normally dry land areas.

"Keys" mean keys including remote starters, keyless ignition fobs or any other device used for ignition of an "auto".

"Volcanic action" means direct "loss" or damages resulting from the eruption of a volcano when the "loss" or damages are caused by:

- a. Airborne volcanic blast or airborne shock waves;
- b. Ash, dust or particulate matter; or
- c. Lava flow.

All volcanic eruptions that occur within any 168 hour period will constitute a single occurrence. "Volcanic action" does not include cost to remove ash, dust or particulate matter that does not cause direct physical "loss" or damage to the covered "auto".

All other terms and conditions of this policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASSAULT OR BATTERY EXCLUSION

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

- I. The following is added to **SECTION II – GENERAL LIABILITY COVERAGES**, Paragraph **A. Bodily Injury And Property Damage Liability**, subparagraph **2. Exclusions** and Paragraph **B. Personal And Advertising Injury Liability**, subparagraph **2. Exclusions**:

Assault or Battery

"Bodily injury", "property damage", "personal and advertising injury" or medical expense caused by, arising out of, resulting from, or in any way related to an "assault" or "battery" when that "assault" or "battery" is caused by, arises out of or results from, in whole or in part:

- (1) The direct or indirect instigation, instruction or direction, by you, your "employees", patrons or any other persons;
- (2) The failure to provide a safe environment including but not limited to the failure to provide adequate security, or to warn of the dangers of the environment;
- (3) The negligent employment, investigation, supervision, hiring, training or retention of any person;
- (4) Negligent, reckless, or wanton conduct by you, your "employees", patrons or any other persons;
- (5) The use of force, whether excessive or not, to protect persons or property whether or not the "bodily injury", "property damage", or "personal and advertising injury" was intended from the standpoint of the insured or committed by or at the direction of any insured; or
- (6) The failure to render or secure medical treatment or care necessitated by any "assault" or "battery".

- II. For the purpose of this endorsement only, **Exclusion a. Expected Or Intended Injury** of **SECTION II – GENERAL LIABILITY COVERAGES**, Paragraph **A. Bodily Injury And Property Damage Liability** is deleted and replaced with:

Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured.

- III. For the purpose of this endorsement only, the following definitions are added to **SECTION V – DEFINITIONS**:

"Assault" means any intentional act, or attempted act or threat to inflict injury to another including any conduct that would reasonably place another in apprehension of injury, including but not limited to physical injury, sexual abuse or harassment, intimidation, verbal abuse, and any threatened harmful or offensive contact between two or more persons.

"Battery" means the intentional or reckless use of force including a physical altercation or dispute between persons, or offensive touching or sexual molestation against another, resulting in injury whether or not the actual injury inflicted is intended or expected. The use of force includes, but is not limited to the use of a weapon.

All other terms and conditions of this policy remain unchanged.

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – OCCUPATIONAL DISEASE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

- I. The following exclusion is added to **SECTION I – COVERED AUTOS COVERAGES, D. Covered Auto Liability Coverage**, Paragraph 4. Exclusions; and **SECTION II – GENERAL LIABILITY COVERAGES, A. Bodily Injury And Property Damage Liability** Paragraph 2. Exclusions, **B. Personal And Advertising Injury Liability** Paragraph 2. Exclusions and **C. Locations And Operations Medical Payments** Paragraph 2. Exclusions:

Occupational Disease

This insurance does not apply to “bodily injury”, “property damage”, “personal and advertising injury” or medical expense arising out of “occupational diseases”.

- II. For the purpose of this endorsement only, the following definitions the following is added to **SECTION V – DEFINITIONS:**

“Occupational diseases” means any injury, including death, sickness, disease or disability, defined as occupational disease under any workers compensation or disability benefits laws, statues or regulations of any jurisdiction in which the “occurrence” took place or the “occupational disease” arose.

All other terms and conditions of this policy remain unchanged.

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

Policy Number: **MP0042037000690**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF CONDITIONS – PREMIUM AUDIT

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

SECTION IV – CONDITIONS, B. General Conditions, 6. Premium Audit is deleted and replaced by the following:

6. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates. Premium shown in this Coverage Part as advance premium is a minimum and deposit premium.

The rates for each classification shown in the Declarations are multiplied by the estimated premium basis of that classification for the term to determine the advance premium.

We may conduct an audit of your books to determine the actual premium basis developed during the policy period. To calculate the actual premium developed during the policy period we will use one, or a combination, of the follow premium bases: rating units, inventory value, total operating expenditures and, when the Schedule of Operations includes premium for additional products or operations – included in "Auto Dealers Operations", payroll, admissions, gross sales, total cost, area, or each exposure unit.

b. Premium Bases

The premium bases are defined in accordance with our rules and the following definitions:

- (1) **"Auto Dealers" Coverage :**

"Auto Dealers": Rating Units are calculated as follows:

Regular Operators: Owners, partners, officers, salespersons, managers, and employees who are active in operations and whose duties involve the regular operation of covered autos.

Furnished auto for personal use (Full Time or Part Time employee) 1.00

Furnished Inactive owners, partners, officers and their spouses Full Time, business use only .75

Part Time, business use only .50

Contract driver – Rate for each Scheduled Individual .30 Those hired on a temporary basis for pick- up and delivery of an auto with no commercial insurance of their own in place. MVRs are provided to us.

Contract driver - Blanket rate, Unscheduled Drivers 1.00 MVRs are not provided

All Other - Full Time .40 Clerical staff, lot personnel, mechanics and those employees active in operations and those duties do not involve the regular operation of covered autos.

Owners are not rated as "all other" unless completely inactive in the daily operation of the business with no furnished auto exposure. They are then rated as All Other

Employees - Part Time

All Other - Part Time .20

Policy Minimum Rating Units: 1.50

- (2) **“ Auto Dealers” Inventory Value** – A 100% coinsurance penalty applies. If, when “loss” occurs, the total value of your covered “autos” exceeds the Limit of Insurance shown in the Declarations, we will pay only a percentage of what we would otherwise be obligated to pay. We will determine this percentage by dividing the limit by the total values you actually had when “loss” occurred.
- (3) **Total Operating Expenditures** (premium basis symbol **o**): Total expenditures (including grants, entitlements and shared revenue) without regard to source of revenue during the policy period including accounts payable.

The rates apply per \$1,000 of Total Operating Expenditures.

- (4) **Premium for additional products or operations – included in auto service and repair operations** - When the MUS 01 01 70001 Schedule of Operations form includes premium for Additional Products or Operations – Included in “Auto Dealers Operations”, the rules and definitions as set forth in (5) through (11) below apply to the related operations premium.

- (5) **Payroll** (premium basis symbol **p**): Remuneration paid to “employees”, including but not limited to:

- (a) Money or substitutes for money; commissions; bonuses; overtime; payments to statutory insurance or pension plans; profit sharing or incentive plans; pay for holidays, vacation or sickness; and fees paid to employment agencies for temporary personnel provided to you.
- (b) Non-Dealers: Payroll is calculated based on all employees who are active in the operation (owners, partners, officers, managers, clerical staff, mechanics, etc.). Payroll is fixed at \$5,200 per full time employees and \$2,600 per part time employee.

Policy Minimum Payroll: \$7,800.

- (c) If your operations consist of a number of separate operations classified individually in the Declarations, the payroll will be allocated to each classification where you have maintained records for each separate operation. Any such operation for which separate records are **not** maintained by you will be assigned to the highest rated classification.
- (d) Independent Contractors or any other person compensated by you for work performed in your auto service and repair operations must be reported as an employee unless that person has provided you with evidence of his or her own insurance.
- (e) For premium computation purposes, the payroll of executive officers, individual insureds and co-partners is subject to a minimum annual payroll per person of:

\$

(If no entry is made, the minimum payroll as established by our rating rules will apply.)

The rates apply per \$1,000 of Payroll.

- (6) **Admissions** (premium basis symbol **m**): The total number of persons, other than your "employees", admitted to the insured event or to events conducted on the premises whether on paid admissions, tickets, complimentary tickets or passes.

The rates apply per 1,000 Admissions.

- (7) **Gross Sales** (premium basis symbol **s**): The gross amount charged by you, your concessionaries or by others trading under your name for:
- (a) All goods or products, sold or distributed;
 - (b) Operations performed during the policy period; and
 - (c) Rentals; or
 - (d) Dues or fees.

The rates apply per \$1,000 of Gross Sales.

- (8) **"Total Cost"** (premium basis symbol **c**) means the total cost of all work let or sublet in connection with each specific project including:
- (a) The cost of all labor, materials and equipment furnished, used or delivered for use in the execution of the work excluding the cost of finished equipment installed whether or not furnished by the contractor, or subcontractor, or by you; and
 - (b) All fees, bonuses or commissions made, paid or due.

The rates apply per \$1,000 of Total Cost.

- (9) **Area** (premium basis symbol **a**): The total number of square feet of floor space at the insured premises.

The rates apply per 1,000 square feet of Area.

- (10) **Each** (premium basis symbol **t**): The basis of premium involves units of exposure, and the quantity comprising each unit of exposure is indicated in the Declarations, such as "per person".

- d. We reserve the right to examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

- c. The first Named Insured must keep records of the information we need for premium computation and send us copies at such times as we may request. Failure to supply such records upon request will be deemed a breach of condition of this policy, and may subject any in-force policy of yours to cancellation for breach of conditions.

- (11) **Units** (premium basis symbol **u**): A single room or group or group of rooms intended for occupancy as separate living quarters by a family, by a group of unrelated persons living together, or by a person living alone. The rates apply per Unit.

e. Premium shown in this Coverage Part as advance premium is a minimum and deposit premium. Advance premium includes any payments identified as premium paid prior to policy expiration. At the close of each audit period, we will compute the earned premium for that period. Audit premium is due and payable upon notice to the first Named Insured. Failure to pay the audit premium due will be deemed a breach of contract of this policy, and may subject any in-force policy of yours to cancellation for non-payment of premium.

(1) If the actual earned premium generated as a result of an audit for the policy period is less than the advance premium, such advance premium is the minimum premium for the policy period indicated and is not subject to this adjustment.

(2) If the actual earned premium generated as a result of an audit for the policy period is greater than the advance premium, then a final premium adjustment endorsement will be issued. The additional premium amount shown on the final premium adjustment endorsement is due and payable to us upon notice to the first Named Insured.

f. Non-cooperation with Audits

If after two (2) documented attempts we are unable to complete an audit, your applicable premium basis, as defined in Paragraph **b.** above, will be increased by twenty-five percent (25%) and applied in addition to the policy premium. Failure to remit payment of this increase, or any additional premium found within a successfully completed premium audit, will be subject to the terms described in **e.** above.

All other terms and conditions of this policy remain unchanged.

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – TOBACCO, NICOTINE, OR NICOTINE REPLACEMENT
PRODUCTS**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

- A. The following is added to **SECTION II - GENERAL LIABILITY COVERAGES** Paragraph 2. **Exclusions** of **A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and Paragraph 2. **Exclusions** of **B. PERSONAL AND ADVERTISING INJURY LIABILITY**:

Tobacco, Nicotine, or Nicotine Replacement Products

This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation, ingestion, use, absorption, delivery, or consumption of, exposure to, existence or presence of or contact with any "tobacco, nicotine, or nicotine replacement products" used, handled, supplied, processed, altered, prepared, sold or manufactured by any insured or any other person or entity regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

- B. The following is added to **SECTION V - DEFINITIONS**:

"Tobacco, nicotine, or nicotine replacement products" means tobacco in any form; raw or cured tobacco; cigars and cigar wrappers; pipe tobacco; cigarettes; cigarette filters and papers; snuff; chewing tobacco; liquids or e-liquids used in electronic cigarettes; smokeless tobacco products; tobacco smoke including second hand smoke; tobacco substitutes; vaporized tobacco or nicotine; and nicotine and synthetic nicotine in any form.

"Tobacco, nicotine, or nicotine replacement products" includes any device used for the absorption, consumption, ingestion, inhalation or delivery of natural or synthetic nicotine or replacement nicotine, or any container, material, part, battery, atomizer cartridge, equipment or accessory, including, but not limited to: electronic or smokeless cigarettes, lozenges, discs, orbs, gases, mists, chew sticks and film strips, or applied patches or treatment in any form; hookahs, water pipes, vaporizers; or gaseous, liquid or solid residues or byproducts of tobacco or nicotine use, consumption, manufacturing or processing.

For purposes of this exclusion, any mineral, chemical, (including but not limited to those used to enhance flavor or fragrance such as ketones, diketones, and related substances), fluid or aerosol or other product sprayed on, applied to, found within or used in conjunction with any "tobacco, nicotine, or nicotine replacement product" is deemed a part of such product.

All other terms and conditions of this policy remain unchanged.

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTONOMOUS AUTO EXCLUSION

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

This insurance does not apply to "bodily injury", "property damage" or "loss", or if applicable to Uninsured Motorists Coverage, Underinsured Motorists Coverage, Personal Injury Protection, Basic First Party Benefit, Medical Payments, Garagekeepers Coverage and Physical Damage Coverage caused by an "accident" and resulting from "garage operations" involving the ownership, maintenance or use of a covered "auto" that is considered an "autonomous auto" unless the "autonomous auto" is being manually operated by an "insured" who is seated in the driver's seat at the time of loss.

The following is added to **SECTION V - DEFINITIONS**:

"Autonomous auto" is defined as any "auto" with the capability to be fully operated without the active physical control or monitoring by a human operator. An "autonomous auto" does not include a vehicle that is solely equipped with one or more collision avoidance systems, such as electronic blind spot assistance, automated emergency braking systems, parking assistance, adaptive cruise control, lane keep assist, lane departure warning, and traffic jam and queuing assist.

All other terms and conditions of this policy remain unchanged.

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

Policy Number: **MP0042037000690**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DRIVER RESTRICTION ENDORSEMENT

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

This insurance does not apply to any claims, "suits", loss, costs, expenses or any other damages because of "bodily injury", "property damage", "loss", or "covered pollution cost or expenses" arising out of the ownership, maintenance, operation or use of an "auto", mobile equipment or any motorized vehicle, regardless of whether the operation or use is on behalf of or for the benefit of any "insured", by the following:

1. Under Age 21

Anyone operating a covered "auto" who is under the age of 21 regardless whether or not the "auto" was operated or used with the expressed or implied permission of an "insured", "employee", manager, supervisor, or anyone else. This exclusion does not apply to: This exclusion does not apply to:

- a. An "accident" involving a customer under age 21 who is accompanied by the "insured" while test-driving an "auto" held for sale by the "insured"; or
- b. Any person listed in the Schedule of Youthful Drivers below.

SCHEDULE OF YOUTHFUL DRIVERS	
NAME (First, Middle, Last, Suffix)	LICENSE # (State and Last Four Digits)

2. Improperly Licensed

Anyone operating a covered "auto" without a proper or valid operator's license as required by the state in which the "auto" is being operated regardless of whether or not the "auto" was operated or used with the expressed or implied permission of an "insured", "employee", manager, supervisor, or anyone else .

3. Furnished an Auto for Personal Use

Anyone operating a covered "auto" for purposes that are not necessary or incidental to the insured's "auto dealer operations" regardless of whether or not the "auto" was operated or used with the expressed or

implied permission of an "insured", "employee", manager, supervisor, or anyone else.

a. This exclusion does not apply to any person listed in the Schedule of Drivers Furnished "Autos" below .

SCHEDULE OF DRIVERS OF FURNISHED AUTOS	
NAME (First, Middle, Last, Suffix)	LICENSE # (State and Last Four Digits)

This endorsement applies regardless of whether or not the "auto" was operated or used with the expressed or implied permission of an "insured", "employee", manager, supervisor or anyone else. This endorsement applies to all coverages currently provided, including Uninsured Motorist Coverage and Underinsured Motorist Coverage, when the "auto" was operated or used by the excluded driver, and any coverage added in the future.

In any state where this endorsement is not permitted due to statute, ordinance, or regulation, the maximum limit we will pay for an "accident" involving anyone that would otherwise be excluded or limited by this endorsement shall not exceed the basic minimum financial responsibility limits required by the state in which the "accident" occurs.

All other terms and conditions of this policy remain unchanged.

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - ABUSE OR MOLESTATION

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

I. The following is added to:

SECTION I – COVERED AUTOS COVERAGES, D. Covered Autos Liability Coverage, 4. Exclusions;
SECTION II – GENERAL LIABILITY COVERAGES, A. Bodily Injury And Property Damage Liability, 2. Exclusions; B. Personal And Advertising Injury Liability, 2. Exclusions; C. Locations And Operations Medical Payments, 2 Exclusions;
SECTION III – ACTS, ERRORS OR OMISSIONS LIABILITY COVERAGES, B. Exclusions

This insurance does not apply to "bodily injury", including any resulting emotional injury, distress or humiliation, "property damage", "personal and advertising injury", "acts, errors or omission", medical expenses, "loss" or any other damages directly or indirectly caused by, related to or arising from "abuse or molestation".

I. The following definition is added to **SECTION V – DEFINITIONS:**

"Abuse or molestation" means:

Any physical contact or any other conduct of an abusive, harassing or bullying nature; sexual action; or, any other alleged act, failure to act or breach of duty in the hiring, training, supervision, retention or reporting or failing to report any person who commits or allegedly committed any of the foregoing offenses.

Sexual action includes any contact or interaction with a person which is objectively considered sexually oriented or motivated, including grooming, physical touching, nudity, exposure to material of a sexual nature in any medium, exposure to sexual language or behavior, requests for sexual activity, and any other behavior with sexual connotation or purpose, whether performed for sexual gratification, discrimination, intimidation, coercion or any other reason.

All other terms and conditions of this policy remain unchanged.

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – THEFT FROM UNPROTECTED BUILDINGS OR PREMISES

This endorsement modifies insurance provided under the following:

Auto Dealers Coverage Form

1. When a premium is shown on the Auto Dealers Coverage Part Declarations Page for ITEM FIVE – Garagekeepers Coverage, the following will apply by location, unless Theft of "Customer's Autos" at Unprotected Buildings or Premises is checked as applicable and a premium is indicated for that location:

The following sub-paragraph is added to **SECTION I – COVERED AUTOS COVERAGES; E. Garagekeepers Coverage**, Paragraph 4. Exclusions :

Theft of Customer's Auto from an Unprotected Building or Premises

We will not pay for "loss" due to, caused by or resulting from theft or conversion of a "customer's auto" or any "customer's auto" equipment when the described premises, scheduled in Item III of the Auto Dealers Coverage Part Declarations Page are closed for business or unattended if:

- (a) The premises where the "customer's autos" are located is unprotected . The entire premises must have protection at all entrances, exits and openings (this includes but is not limited to buildings, the entire perimeter being surrounded by a fence with locked gates or posts and heavy chains with locks); or
 - (b) The building in which the "customer's autos" are located is not protected with locked and secured entrances, exits or openings.
2. When a premium is shown on the Auto Dealers Coverage Part Declarations Page for ITEM SIX – Physical Damage Coverage, the following will apply by location, unless Theft of "Autos" at Unprotected Buildings or Premises is checked as applicable and a premium is indicated for that location:

The following sub-paragraph is added to **SECTION I – COVERED AUTOS COVERAGES; F. Physical Damage Coverage**, Paragraph 4. Exclusions :

Theft of Auto from an Unprotected Building or Premises

We will not pay for "loss" due to, caused by or resulting from theft or conversion of an "auto" or any "auto's" equipment when the described premises, scheduled in Item III of the Auto Dealers Coverage Part Declarations Page are closed for business or unattended if:

- (a) The premises where the "auto" is located is unprotected. The entire premises must have protection at all entrances, exits and openings (this includes but is not limited to buildings, the entire perimeter being surrounded by a fence with locked gates or posts and heavy chains with locks); or
- (b) The building in which the "auto" is located is not protected with locked and secured entrances, exits or openings.

However, this exclusion does not apply to any covered "auto" that is identified in Item Seven – Schedule of Specifically Described "Autos" in the Auto Dealers Coverage Part Declarations.

All other terms and conditions of this policy remain unchanged.

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – EMPLOYEE INDEMNIFICATION AND EMPLOYERS
LIABILITY - EMPLOYEES, CONTRACTORS AND VOLUNTEERS**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

SECTION I - COVERED AUTOS COVERAGES, D. Covered Auto Liability Coverage Paragraph 4. Exclusions, sub-paragraph **d. Employee Indemnification and Employer's Liability**; and **SECTION II – GENERAL LIABILITY COVERAGES, A – Bodily Injury and Property Damage Liability**, paragraph **2. Exclusions**, sub-paragraph **d. Employee Indemnification and Employer's Liability** are deleted and replaced with:

d. Employee Indemnification and Employers Liability - "Employees", Contractors, and Volunteers

"Bodily injury" to:

- (1) An "employee" arising out of and in the course of:
 - (a) Employment by any "insured"; or
 - (b) Performing duties related to the conduct of any "insured's" business;
- (2) A contractor and any persons working for or on its behalf arising out of and in the course of performing work related to the conduct of any "insured's" business;
- (3) A volunteer working on behalf of the "insured", an "employee", a contractor, or any persons working for or on its or the "insured's" behalf in the course of performing duties or work related to the conduct of the "insured's" business;
- (4) The spouse, child, parent, brother or sister of that person as a consequence of Paragraph (1) , (2) or (3) above;
- (5) 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, discrimination or malicious prosecution directed at that person; or
- (6) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraph (5) above are directed.

This exclusion applies:

- (a) Whether the injury-causing event described in Paragraph (5)(a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (b) Whether the "insured" may be liable as an employer or in any other capacity;
- (c) To any obligation to share damages with or repay someone else who must pay damages because of the injury; and
- (d) To liability assumed by the "insured" under an "insured contract".

All other terms and conditions of this policy remain unchanged.

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOANED, LEASED OR RENTED AUTOS LIMITATION

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

- A. Exclusion g. Leased Autos** in **SECTION I – COVERED AUTOS COVERAGES, D. Covered Autos Liability Coverage**, Subparagraph **4. Exclusions** is deleted and replaced with the following:

g. Leased, Loaned or Rented Autos

Any covered "auto":

- (1) Leased to anyone;
- (2) Rented to anyone; or
- (3) Loaned to anyone, unless the loaned "auto":
 - a. Is specifically described in ITEM SEVEN - SCHEDULE OF SPECIFICALLY DESCRIBED "AUTOS" on the Auto Dealers Coverage Part , Declarations
 - b. Is loaned to one of your customers while that "customer's auto" was left in your care, custody and control for service or repair , or
 - c. Is loaned to one of your customers for use during a test drive.

- B. Exclusion b. (1)** in **SECTION I – COVERED AUTOS COVERAGES**, Paragraph **F. Physical Damage Coverage**. Subparagraph **3. Exclusions** , is deleted and replaced with the following:

b. (1) Any covered "auto":

- (a) Leased to anyone;
- (b) Rented to anyone; or
- (c) Loaned to anyone, unless the loaned "auto":
 - i. Is specifically described in ITEM SEVEN - SCHEDULE OF SPECIFICALLY DESCRIBED "AUTOS" on the Auto Dealers Coverage Part Declarations,
 - ii. Is loaned to one of your customers while that "customer's auto" was left in your care, custody and control for service or repair, or
 - iii. Is loaned to one of your customers for use during a test drive.

All other terms and conditions of this policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – HUMAN TRAFFICKING

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

- A. The following exclusion is added to **SECTION I – COVERED AUTOS COVERAGES**, Paragraph **D. Covered Autos Liability Coverage**, sub-paragraph **4. Exclusions**; **SECTION II – GENERAL LIABILITY COVERAGES**, Paragraph **A. Bodily Injury And Property Damage Liability**, sub-paragraph **2. Exclusions**; **SECTION II – GENERAL LIABILITY COVERAGES**, Paragraph **B. Personal And Advertising Injury Liability**, sub-paragraph **2. Exclusions** and **SECTION II – GENERAL LIABILITY COVERAGES**, Paragraph **C. Locations And Operations Medical Payments**, sub-paragraph **2. Exclusions** of the Auto Dealers Coverage Form CA 00 25:

Human Trafficking

This insurance does not apply to claims or “suits” arising out of, concerning, or in any way related to any actual, alleged or suspected “human trafficking”.

This exclusion applies even if a claim or “suit” concerns or alleges negligent or passive participation in “human trafficking”, including but not limited to the failure to detect, investigate, recognize, intervene in, report or prevent “human trafficking”; the failure to maintain policies or procedures concerning the detection, investigation, recognition or prevention of “human trafficking”; the hiring, employment, training, supervision, facilitation or monitoring of any person or persons alleged to have participated in or failed to detect, investigate, recognize or prevent “human trafficking”; or, any conduct, act or omission prohibited by, in violation of, or for which penalties are provided under the Trafficking Victims Protection Act of 2000, as amended, or under any federal, state or local law related to “human trafficking”.

This exclusion further applies regardless of whether a claim or “suit” alleges that any insured, including their agents, employees or volunteers, knew or should have known of the actual, alleged or suspected “human trafficking”, or benefitted financially or received anything of value from actual, alleged or suspected “human trafficking” or anyone who actually or allegedly engaged in “human trafficking”.

- B. The following definition is added to **SECTION V - DEFINITIONS** of the CA 00 25:

“Human trafficking” means the detention, recruitment, grooming, transportation, provision, facilitation, obtaining, soliciting, harboring, or use of the labor or services, of a person or persons: 1) by coercion, threat, force, fraud, trick, physical restraint, serious harm or abuse of the legal process; 2) by the threat of any of these actions; or 3) by any scheme, plan or pattern intended to make a person believe that they or any other person would suffer any of these actions if they did not perform or provide the labor or service.

“Human trafficking” includes but is not limited to using the labor or service of a person or persons for: domestic servitude or work in factories and agricultural settings; labor exploitation; forced labor; involuntary servitude; slavery; peonage; debt bondage; migratory smuggling; organ harvesting or donation; marriage; sexual exploitation and sex work, including any allegation that a person is deceived, coerced or forced to take part in any sexual activity, or that they lacked legal capacity to consent to any sexual activity; child soldiers; or, forced criminality or violence of any kind. “Human trafficking” includes the use of the labor or services of a person or persons who lacked the legal capacity to consent to the labor or services, including but not limited to minor persons.

All other terms and conditions of this policy remain unchanged.

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LEAD CONTAMINATION EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
COMMERCIAL PROFESSIONAL LIABILITY COVERAGE FORM
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM
AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM

In consideration of the premium charged it is hereby understood and agreed that this policy will not provide coverage, meaning indemnification or defense costs, arising out of:

"Bodily injury", "property damage", "personal injury", "advertising injury", "medical payments", or any other damages because of liability, alleged liability, or occurrence resulting from, caused by, arising out of, or in any way connected with:

The existence of lead, the removal of lead, the testing for lead, or exposure to lead in any form which is or has at any time been present in, on, or near:

1. the insured's premises; or
2. at any location at which the insured is working or has worked in connection with such existence, removal, or testing

Whether or not:

1. caused by, at the instigation of, or with the direct or indirect involvement of the insured, the insured's employees or other persons on the insured's premises or work site; or,
2. whether or not caused by or arising out of the insured's failure to properly supervise or keep the work site in a safe condition.

All other terms and conditions of this policy remain unchanged.

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - ASBESTOS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
COMMERCIAL PROFESSIONAL LIABILITY COVERAGE FORM
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM
AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM

In consideration of the premium charged, it is understood and agreed that this policy will not provide coverage, meaning indemnification or defense costs arising out of:

1. Asbestos or any asbestos related "bodily injury", or "property damage" or
2. Any alleged act, error, omission, or duty involving asbestos, its use, exposure, presence, existence, detection, removal, elimination, transportation, disposal or avoidance or
3. The use, exposure, presence, existence, detection, removal, elimination, or avoidance of asbestos in any environment, building or structure.

All other terms and conditions of this policy remain unchanged.

MESA UNDERWRITERS SPECIALTY
INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NON-STACKING OF LIMITS ENDORSEMENT
TWO OR MORE COVERAGE FORMS, COVERAGE
PARTS, OR POLICIES ISSUED BY US**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
COMMERCIAL PROFESSIONAL LIABILITY COVERAGE FORM
LIQUOR LIABILITY COVERAGE FORM
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORM
FARM LIABILITY COVERAGE FORM
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM
AUTO DEALERS COVERAGE FORM
TRUCKERS PHYSICAL DAMAGE COVERAGE FORM
BUSINESS AUTO COVERAGE FORM

If any coverage form or coverage part or policy issued to you by us or any company affiliated with us apply to the same claim for damages, the maximum limit of insurance for liability coverage under all of the coverage forms, coverage parts, or policies shall not exceed the highest applicable limit of insurance available under any one coverage form, coverage part or policy.

This endorsement does not apply to any coverage form, coverage part or policy issued by us or an affiliated company specifically to apply as excess insurance over this policy.

All other terms and conditions of this policy remain unchanged.

AUTO DEALERS 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 and include your spouse, if you are an individual. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERED AUTOS COVERAGES

A. Description Of Covered Auto Designation Symbols

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

Symbol	Description Of Covered Auto Designation Symbols	
21	Any "Auto"	
22	Owned "Autos" Only	Only those "autos" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
23	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
24	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
25	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
26	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
27	Specifically Described "Autos"	Only those "autos" described in Item Seven of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to a power unit described in Item Seven).
28	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
29	Non-owned "Autos" Used In Your "Auto" Dealership	Any "auto" you do not own, lease, hire, rent or borrow used in connection with your "auto" dealership described in the Declarations. This includes "autos" owned by your "employees" or partners (if you are a partnership), members (if you are a limited liability company) or members of their households while used in your "auto" dealership.

30	"Autos" Left With You For Service, Repair, Storage Or Safekeeping	Any land motor vehicle, trailer or semitrailer lawfully within your possession for service, repair, storage or safekeeping, with or without the vehicle owner's knowledge or consent. This also includes "autos" left in your care by your "employees" and members of their households who pay for the services performed.
31	"Auto" Dealers' "Autos" (Physical Damage Coverages)	Any "autos" and the interests in these "autos" described in Item Six of the Declarations.

B. Owned Autos You Acquire After The Policy Begins

1. If Symbols **21, 22, 23, 24, 25** or **26** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol **27** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. Certain Trailers And Temporary Substitute Autos

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;

- d. "Loss"; or
- e. Destruction.

D. Covered Autos Liability Coverage

1. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered "Autos" Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

2. Who Is An Insured

The following are "insureds" for covered "autos":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or anyone else from whom you hire or borrow a covered "auto".

This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.
 - (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing or repairing "autos" unless that business is yours.
 - (4) Your customers. However, if a customer of yours:
 - (a) Has no other available insurance (whether primary, excess or contingent), they are an "insured" but only up to the compulsory or financial responsibility law limits where the covered "auto" is principally garaged.
 - (b) Has other available insurance (whether primary, excess or contingent) less than the compulsory or financial responsibility law limits where the covered "auto" is principally garaged, they are an "insured" only for the amount by which the compulsory or financial responsibility law limits exceed the limit of their other insurance.
 - (5) A partner (if you are a partnership), or a member (if you are a limited liability company), for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.
- d. Your "employee" while using a covered "auto" you do not own, hire or borrow in your business or your personal affairs.

3. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

- (1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

4. Exclusions

This insurance does not apply to any of the following:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

b. Contractual

Liability assumed under any contract or agreement. But this exclusion does not apply to liability for damages:

- (1) 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; or
- (2) That the "insured" would have in the absence of the contract or agreement.

c. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

d. Employee Indemnification And 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 the 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 Paragraph (1) above.

This exclusion applies:

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

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of Covered Autos Liability Coverage, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

e. Fellow Employee

"Bodily injury" to:

- (1) Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- (2) The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (1) above.

f. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving:

- (1) Property owned, rented or occupied by the "insured";
- (2) Property loaned to the "insured";
- (3) Property held for sale or being transported by the "insured"; or
- (4) Property in the "insured's" care, custody or control.

But this exclusion does not apply to liability assumed under a sidetrack agreement.

g. Leased Autos

Any covered "auto" while leased or rented to others. But this exclusion does not apply to a covered "auto" you rent to one of your customers while their "auto" is left with you for service or repair.

h. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- (1) That are, or that are contained in any property that is:
 - (a) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";

- (b) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (c) Being stored, disposed of, treated or processed in or upon the covered "auto";
- (2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- (3) After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph (1) above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if the "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants".

Paragraphs (2) and (3) above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

i. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

j. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- (1) Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- (2) After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

k. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

l. Defective Products

"Property damage" to any of your "products", if caused by a defect existing in your "products" or any part of your "products", at the time it was transferred to another.

m. Work You Performed

"Property damage" to "work you performed" if the "property damage" results from any part of the work itself or from the parts, materials or equipment used in connection with the work.

n. Damage To Impaired Property Or Property Not Physically Damaged

"Property damage" to "impaired property" or other property not physically damaged if caused by:

- (1) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.
- (2) A defect, deficiency, inadequacy or dangerous condition in your "products" or "work you performed". But this exclusion, n.(2), does not apply if the loss of use was caused by sudden and accidental damage to or destruction of your "products" or "work you performed" after they have been put to their intended use.

o. Products Recall

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 your "products" or "work you performed" or other property of which they form a part, 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. War

"Bodily injury" or "property damage" 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.

q. Acts, Errors Or Omissions

"Bodily injury" or "property damage" arising out of "acts, errors or omissions".

5. Limit Of Insurance – Covered Autos Liability

For "accidents" resulting from the ownership, maintenance or use of covered "autos", the following applies:

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" involving a covered "auto" is the Limit of Insurance for Covered "Autos" Liability Coverage shown in the Declarations.

Damages and "covered pollution cost or expense" payable under the Limit of Insurance for Covered "Autos" Liability Coverage are not payable under any applicable Limits of Insurance under Section II – General Liability Coverages or Section III – Acts, Errors Or Omissions Liability Coverage.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Auto Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

E. Garagekeepers Coverage

1. Coverage

a. We will pay all sums the "insured" legally must pay as damages for "loss" to a "customer's auto" or "customer's auto" equipment left in the "insured's" care while the "insured" is attending, servicing, repairing, parking or storing it in your "auto dealer operations" under:

(1) Comprehensive Coverage

From any cause except:

- (a) The "customer's auto's" collision with another object; or
- (b) The "customer's auto's" overturn.

(2) Specified Causes Of Loss Coverage

Caused by:

- (a) Fire, lightning or explosion;
- (b) Theft; or
- (c) Mischief or vandalism.

(3) Collision Coverage

Caused by:

- (a) The "customer's auto's" collision with another object; or
- (b) The "customer's auto's" overturn.

b. We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for any loss to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends for a coverage when the Limit of Insurance for that coverage has been exhausted by payment of judgments or settlements.

2. Who Is An Insured

The following are "insureds" for "loss" to "customer's autos" and "customer's auto" equipment:

- a. You.
- b. Your partners and their spouses, if you are a partnership, but only with respect to the conduct of your "auto dealer operations".
- c. Your members, if you are a limited liability company, but only with respect to the conduct of your "auto dealer operations". Your managers are also "insureds", but only with respect to their duties as your managers.
- d. Your "executive officers" and directors, if you are an organization other than a partnership or limited liability company, 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. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of employment by you or while performing duties related to the conduct of your "auto dealer operations".

3. Coverage Extensions

The following apply as **Supplementary Payments**. We will pay for the "insured":

- a. All expenses we incur.
- b. The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- c. All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- d. All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- e. All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

4. Exclusions

- a. This insurance does not apply to any of the following:

(1) Contractual

Liability resulting from any contract or agreement by which the "insured" accepts responsibility for "loss". But this exclusion does not apply to liability for "loss" that the "insured" would have in the absence of the contract or agreement.

(2) Theft

"Loss" due to theft or conversion caused in any way by you, your "employees" or by your stockholders.

(3) Defective Parts

Defective parts or materials.

(4) Faulty Work

Faulty "work you performed".

- b. We will not pay for "loss" to any of the following:

- (1) Tape decks or other sound-reproducing equipment unless permanently installed in a "customer's auto".

- (2) Tapes, records or other sound-reproducing devices designed for use with sound-reproducing equipment.

- (3) Sound-receiving equipment designed for use as a citizens' band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the "customer's auto" manufacturer for the installation of a radio.

- (4) Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.

- c. We will not pay for "loss" caused by or resulting from the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

- (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.

5. Limit Of Insurance And Deductibles

a. Regardless of the number of "customer's autos", "insureds", premiums paid, claims made or "suits" brought, the most we will pay for each "loss" at each location is the Garagekeepers Coverage Limit Of Insurance shown in the Declarations for that location. Prior to the application of this limit, the damages for "loss" that would otherwise be payable will be reduced by the applicable deductibles for "loss" caused by:

- (1) Collision; or
- (2) With respect to Garagekeepers Coverage Comprehensive or Specified Causes Of Loss Coverage:
 - (a) Theft or mischief or vandalism; or
 - (b) All perils.

b. The maximum deductible stated in the Declarations for Garagekeepers Coverage Comprehensive or Specified Causes Of Loss Coverage is the most that will be deducted for all "loss" in any one event caused by:

- (1) Theft or mischief or vandalism; or
- (2) All perils.

c. To settle a claim or "suit", we may pay all or any part of the deductible. If this happens, you must reimburse us for the deductible or that part of the deductible that we paid.

F. Physical Damage Coverage

1. Coverage

a. We will pay for "loss" to a covered "auto" or its equipment under:

(1) Comprehensive Coverage

From any cause except:

- (a) The covered "auto's" collision with another object; or
- (b) The covered "auto's" overturn.

(2) Specified Causes Of Loss Coverage

Caused by:

- (a) Fire, lightning or explosion;
- (b) Theft;
- (c) Windstorm, hail or earthquake;
- (d) Flood;
- (e) Mischief or vandalism; or
- (f) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

(3) Collision Coverage

Caused by:

- (a) The covered "auto's" collision with another object; or
- (b) The covered "auto's" overturn.

b. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- (1) Glass breakage;
- (2) "Loss" caused by hitting a bird or animal; and
- (3) "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

2. Coverage Extension – Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- a. Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";
- b. Specified Causes of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- c. Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

3. Exclusions

a. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

(1) Nuclear Hazard

- (a) The explosion of any weapon employing atomic fission or fusion; or
- (b) Nuclear reaction or radiation, or radioactive contamination, however caused.

(2) War Or Military Action

- (a) War, including undeclared or civil war;
- (b) 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
- (c) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

b. We will not pay for "loss" to any of the following:

- (1) Any covered "auto" leased or rented to others unless rented to one of your customers while their "auto" is left with you for service or repair.
- (2) Any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such contest or activity.
- (3) Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- (4) Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.

- (5) Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- (6) Any accessories used with the electronic equipment described in Paragraph (5) above.

Exclusions **b.(5)** and **b.(6)** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- (a) Permanently installed in or upon the covered "auto" ;
- (b) Removable from a housing unit which is permanently installed in or upon the covered "auto";
- (c) An integral part of the same unit housing any electrical equipment described in Paragraphs (a) and (b) above; or
- (d) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

c. False Pretense

We will not pay for "loss" to a covered "auto" caused by or resulting from:

- (1) Someone causing you to voluntarily part with it by trick or scheme or under false pretenses; or
- (2) Your acquiring an "auto" from a seller who did not have legal title.

d. We will not pay for:

- (1) Your expected profit, including loss of market value or resale value.
- (2) "Loss" to any covered "auto" displayed or stored at any location not shown in Item Three of the Declarations if the "loss" occurs more than 45 days after your use of the location begins.
- (3) Under the Collision Coverage, "loss" to any covered "auto" while being driven or transported from the point of purchase or distribution to its destination if such points are more than 50 road miles apart.
- (4) Under the Specified Causes of Loss Coverage, "loss" to any covered "auto" caused by or resulting from the collision or upset of any vehicle transporting it.

- e. We will not pay for "loss" to a covered "auto" due to "diminution in value".

f. Other Exclusions

We will not pay for "loss" due and confined to:

- (1) Wear and tear, freezing, mechanical or electrical breakdown.
- (2) Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. Limits Of Insurance

- a. The most we will pay for:

- (1) "Loss" to any one covered "auto" is the lesser of:

- (a) The actual cash value of the damaged or stolen property as of the time of "loss"; or
- (b) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

- (2) All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is \$1,000, if, at the time of "loss", such electronic equipment is:

- (a) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- (b) Removable from a permanently installed housing unit as described in Paragraph (2)(a) above; or
- (c) An integral part of such equipment as described in Paragraphs (2)(a) and (2)(b) above.

- b. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".

- c. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

- d. The following provisions also apply:

- (1) Regardless of the number of covered "autos" involved in the "loss", the most we will pay for all "loss" at any one location is the amount shown in the Declarations for that location. Regardless of the number of covered "autos" involved in the "loss", the most we will pay for all "loss" in transit is the amount shown in the Declarations for "loss" in transit.

(2) Quarterly Or Monthly Reporting Premium Basis

If, on the date of your last report, the actual value of the covered "autos" at the "loss" location exceeds what you last reported, when a "loss" occurs we will pay only a percentage of what we would otherwise be obligated to pay. We will determine this percentage by dividing your total reported value for the involved location by the total actual value at the "loss" location on the date of your last report.

If the first report due is delinquent on the date of "loss", the most we will pay will not exceed 75 percent of the Limit Of Insurance shown in the Declarations for the applicable location.

(3) Nonreporting Premium Basis

If, when "loss" occurs, the total value of your covered "autos" exceeds the Limit Of Insurance shown in the Declarations, we will pay only a percentage of what we would otherwise be obligated to pay. We will determine this percentage by dividing the Limit of Insurance by the total actual value at the "loss" location at the time the "loss" occurred.

5. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations prior to the application of the Limit Of Insurance shown in the Declarations, provided that:

- a. The Comprehensive or Specified Causes of Loss Coverage deductible applies only to "loss" caused by:
 - (1) Theft or mischief or vandalism; or
 - (2) All perils.
- b. Regardless of the number of covered "autos" damaged or stolen, the per "loss" deductible for Comprehensive or Specified Causes of Loss Coverage shown in the Declarations is the maximum deductible applicable for all "loss" in any one event caused by:
 - (1) Theft or mischief or vandalism; or
 - (2) All perils.

SECTION II – GENERAL LIABILITY COVERAGES

A. Bodily Injury And Property Damage Liability

1. Coverage

- a. We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies caused by an "accident", and resulting from your "auto dealer operations" other than the ownership, maintenance or use of "autos".

We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. But:

- (1) The amount we will pay for damages is limited as described in Paragraph F. Limits Of Insurance – General Liability Coverages; and
- (2) Our duty to defend or settle ends when the applicable limit of insurance has been exhausted by payment of judgments or settlements under Paragraph A. Bodily Injury And Property Damage Liability or B. Personal And Advertising Injury Liability or medical expenses under Paragraph C. Locations And Operations Medical Payments.

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

- b. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) The "accident" occurs in the coverage territory;
 - (2) The "bodily injury" or "property damage" occurs during the policy period; and
 - (3) Prior to the policy period, no "insured" listed under Paragraphs D.1. through D.4. of the Who Is An Insured provision and no "employee" authorized by you to give or receive notice of an "accident" 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.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any "insured" listed under Paragraphs D.1. through D.4. of the Who Is An Insured provision or any "employee" authorized by you to give or receive notice of an "accident" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any "insured" listed under Paragraphs D.1. through D.4. of the Who Is An Insured provision or any "employee" authorized by you to give or receive notice of an "accident" or claim:
 - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (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.

2. Exclusions

This insurance does not apply to any of the following:

a. Expected Or Intended Injury

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

b. Contractual

Liability assumed under any contract or agreement. But this exclusion does not apply to liability for damages:

- (1) 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; or
- (2) That the "insured" would have in the absence of the contract or agreement.

c. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

d. Employee Indemnification And 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 the duties related to the conduct of the "insured's" business;
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.
- (3) 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, discrimination or malicious prosecution directed at that person; or

- (4) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraph (3)(a), (b) or (c) above are directed.

This exclusion applies:

- (a) Whether the injury-causing event described in Paragraph (3)(a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (b) Whether the "insured" may be liable as an employer or in any other capacity; and
- (c) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

Paragraphs (1) and (2) of this exclusion do not apply to liability assumed by the "insured" under an "insured contract".

e. 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) Property loaned to the "insured";
- (3) Property held for sale or being transported by the "insured"; or
- (4) Property in the "insured's" care, custody or control.

Paragraphs (1), (2) 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 seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Paragraph F. Limits Of Insurance – General Liability Coverages.

This exclusion does not apply to liability assumed under a sidetrack agreement.

f. Pollution

- (1) "Bodily injury" or "property damage" 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 that is or was at any time owned or occupied by, or rented or loaned to, any "insured";
 - (b) At or from any premises, site or location that 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) 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:
 - (i) To test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of the "pollutants"; or
 - (ii) If the "pollutants" are brought on or to the premises, site or location in connection with such operations by such "insured", contractor or subcontractor; or
 - (d) That are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any "insured" or any person or organization for whom you may be legally responsible.

Paragraphs (1)(a) and (1)(c)(ii) do not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire. A hostile fire means one that becomes uncontrollable, or breaks out from where it was intended to be.

Paragraph (1)(a) does not apply to "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.

Paragraph (1)(c)(ii) does not apply to "bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from material brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor.

- (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.

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 "accident" 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 where you conduct "auto dealer operations";
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge; or
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft.

h. Defective Products

"Property damage" to any of your "products", if caused by a defect existing in your "products" or any part of your "products", at the time it was transferred to another.

i. Work You Performed

"Property damage" to "work you performed" if the "property damage" results from any part of the work itself or from the parts, materials or equipment used in connection with the work.

j. Damage To Impaired Property Or Property Not Physically Damaged

"Property damage" to "impaired property" or other property not physically damaged if caused by:

- (1) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.
- (2) A defect, deficiency, inadequacy or dangerous condition in your "products" or "work you performed". But this exclusion, **j.(2)**, does not apply if the loss of use was caused by sudden and accidental damage to or destruction of your "products" or "work you performed" after they have been put to their intended use.

k. Products Recall

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 your "products" or "work you performed" or other property of which they form a part, 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.

l. War

"Bodily injury" or "property damage" 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.

m. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" 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;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair And Accurate Credit Transaction Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

n. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

o. 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.

Exclusions **c.** through **o.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Paragraph **F.** Limits Of Insurance – General Liability Coverages.

B. Personal And Advertising Injury Liability

1. Coverage

We will pay all sums the "insured" legally must pay as damages because of "personal and advertising injury" to which this insurance applies, caused by an offense arising out of your "auto dealer operations", but only if the offense was committed in the coverage territory during the policy period.

We will have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. But:

- a. The amount we will pay for damages is limited as described in Paragraph **F.** Limits Of Insurance – General Liability Coverages; and
- b. Our duty to defend or settle ends when the applicable limit of insurance has been exhausted by payment of judgments or settlements under Paragraph **A.** Bodily Injury And Property Damage Liability or Paragraph **B.** Personal And Advertising Injury Liability or medical expenses under Paragraph **C.** Locations And Operations Medical Payments.

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

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the "insured" with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the "insured" with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the "insured".

e. Contractual

"Personal and advertising injury" for which the "insured" has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the "insured" would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Electronic Chat Rooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chat room or bulletin board the "insured" hosts, owns, or over which the "insured" exercises control.

k. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

l. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

m. Pollution-related

Any loss, cost or expense arising out of any:

- (1) 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
- (2) 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".

n. War

"Personal and advertising injury" 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.

o. Recording And Distribution Of Material Or Information In Violation Of Law

"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; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair And Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

p. Employment-related Practices

"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, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraph (1)(a), (b) or (c) above are directed.

This exclusion applies:

- (a) Whether the injury-causing event described in Paragraph (1)(a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (b) Whether the "insured" may be liable as an employer or in any other capacity; and
- (c) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

q. Acts, Errors Or Omissions

"Personal and advertising injury" arising out of "acts, errors or omissions".

C. Locations And Operations Medical Payments

1. Coverage

- a. We will pay medical expenses as described below to or for each person who sustains "bodily injury" to which this coverage applies, caused by an "accident" and resulting from your "auto dealer operations".
- b. We will pay only those expenses incurred for services rendered within one year from the date of the "accident".
- c. 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, diagnostic imaging and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

This insurance does not apply to "bodily injury":

a. Workers' Compensation

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.

b. Insured

To any "insured".

c. Hired Person

To a person hired to do work for or on behalf of any "insured" or a tenant of any "insured".

d. Injury On Normally Occupied Premises

To a person injured on that part of the premises you own or rent that the person normally occupies.

e. Athletic Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Injury Away From Auto Dealer Locations

Sustained by a person away from locations owned, maintained or used for your "auto dealer operations".

g. Bodily Injury And Property Damage Liability

Excluded under Paragraph **A. Bodily Injury And Property Damage Liability.**

D. Who Is An Insured

The following are "insureds" for General Liability Coverages:

1. You.
2. Your partners and their spouses, if you are a partnership, but only with respect to the conduct of your "auto dealer operations".
3. Your members, if you are a limited liability company, but only with respect to the conduct of your "auto dealer operations". Your managers are also "insureds", but only with respect to their duties as your managers.
4. Your "executive officers" and directors, if you are an organization other than a partnership or limited liability company, 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.
5. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of employment by you or while performing duties related to the conduct of your "auto dealer operations". However, no "employee" is an "insured" for:
 - a. "Bodily injury" or "personal and advertising injury":
 - (1) To you (if you are an individual), your partners (if you are a partnership), your members (if you are a limited liability company) or a fellow "employee" of the "insured" while in the course of his or her employment or while performing duties related to the conduct of your "auto dealer operations";
 - (2) To the spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (1) above;
 - (3) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1) or (2) above; or
 - (4) Arising out of his or her providing or failing to provide professional health care services.

b. "Property damage" to property:

- (1) Owned, occupied or used by;
- (2) 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", any partner or member (if you are a partnership), or any member (if you are a limited liability company).

6. Any "auto" dealership that is acquired or formed by you, other than a partnership or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that "auto" dealership. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the "auto" dealership or the end of the policy period, whichever is earlier; and
- b. Coverage 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 "auto" dealership.

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

E. Supplementary Payments

With respect to coverage provided under Bodily Injury And Property Damage Liability and Personal And Advertising Injury Liability Coverages, we will pay for the "insured":

1. All expenses we incur.
2. The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
3. All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
4. All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".

5. All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

F. Limits Of Insurance – General Liability Coverages

1. Regardless of the number of "insureds", claims made or "suits" brought or persons or organizations making claims or bringing "suits", the:
 - a. General Liability Aggregate Limit shown in the Declarations is the most we will pay for the sum of all:
 - (1) Damages under Paragraph **A.** Bodily Injury And Property Damage Liability, except damages because of "bodily injury" and "property damage" that are both:
 - (a) Sustained away from locations owned, maintained or used for your "auto dealer operations"; and
 - (b) Arising out of your "products" or "work you performed";
 - (2) Damages under Paragraph **B.** Personal And Advertising Injury Liability; and
 - (3) Medical expenses under Paragraph **C.** Locations And Operations Medical Payments.
 - b. The Products And Work You Performed Aggregate Liability Limit is the most we will pay under Paragraph **A.** Bodily Injury And Property Damage Liability for "bodily injury" and "property damage" that are both:
 - (1) Sustained away from locations owned, maintained or used for your "auto dealer operations"; and
 - (2) Arising out of your "products" or "work you performed".
2. Subject to Paragraph **1.a.** above, the Personal And Advertising Injury Liability Limit is 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 under Paragraph **B.** Personal And Advertising Injury Liability.
3. Subject to Paragraph **1.a.** above, the Locations And Operations Medical Payments Limit is the most we will pay for all medical expenses because of "bodily injury" for each person injured in any one "accident" under Paragraph **C.** Locations And Operations Medical Payments.
4. Subject to Paragraph **1.a.** or **1.b.** above, whichever applies, the General Liability Bodily Injury And Property Damage Liability Each "Accident" Limit shown in the Declarations is the most we will pay for the sum of all damages under Paragraph **A.** Bodily Injury And Property Damage Liability resulting from any one "accident".

Damages payable under any applicable Limits of Insurance for General Liability Coverages are not payable under Section **I** – Covered Autos Coverages or Section **III** – Acts, Errors Or Omissions Liability Coverage.
5. Subject to Paragraph **4.** above, the Damage To Premises Rented To You Limit is the most we will pay under Paragraph **A.** Bodily Injury And Property Damage Liability for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
6. The Aggregate Limits of Insurance for General Liability Coverages 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 Aggregate Limits of Insurance – General Liability Coverages.
7. We will deduct \$500 from the damages in any "accident" resulting from "property damage" to an "auto" as a result of "work you performed" on that "auto".

SECTION III – ACTS, ERRORS OR OMISSIONS LIABILITY COVERAGES

A. Coverage

We will pay all sums that an "insured" legally must pay as damages because of any "act, error or omission" of the "insured" to which this insurance applies and arising out of the conduct of your "auto dealer operations", but only if the "act, error or omission" is committed in the coverage territory during the policy period.

We will have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for "acts, error or omissions" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. But:

1. The amount we will pay for damages is limited as described in Paragraph **E. Limits Of Insurance And Deductible**; and
2. Our duty to defend or settle ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Paragraph **D. Supplementary Payments**.

B. Exclusions

This insurance does not apply to:

1. Criminal, Fraudulent, Malicious, Dishonest Or Intentional Acts

Damages arising out of any criminal, fraudulent, malicious, dishonest or intentional "act, error or omission" by an "insured", including the willful or reckless violation of any law or regulation. However, this exclusion does not apply to any "insured" who did not:

- a. Personally commit;
- b. Personally participate in;
- c. Personally acquiesce to; or
- d. Remain passive after having knowledge of; any such "act, error or omission".

2. Bodily Injury, Property Damage Or Personal And Advertising Injury

"Bodily injury", "property damage" or "personal and advertising injury".

3. Profit Gain

Damages based upon, attributable to or arising in fact out of the gaining of any profit, remuneration or advantage to which any "insured" was not entitled.

4. Contractual

Liability for which the "insured" has assumed in a contract or agreement. This exclusion does not apply to liability for damages that the "insured" would have in the absence of the contract or agreement.

5. Noncompensatory Damages

Criminal fines or penalties imposed by law or regulation, punitive or exemplary damages or demands for injunctive or equitable relief.

6. Quality Or Performance Of Goods – Failure To Conform To Statements

Damages arising out of the failure of goods, products or services to conform with any statement of quality or performance.

7. Recording And Distribution Of Material Or Information In Violation Of Law

Damages arising directly or indirectly out of any "act, error or omission" that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- c. The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- d. Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

8. Discrimination

Damages arising directly or indirectly out of any "act, error or omission" that violates a person's civil rights with respect to such person's race, color, national origin, religion, gender, marital status, age, sexual orientation or preference, physical or mental condition, or any other protected class or characteristic established by any federal, state or local statutes, rules or regulations.

9. Bankruptcy Or Insolvency

Damages arising out of the:

- a. Bankruptcy;
- b. Financial inability to pay;
- c. Insolvency;
- d. Liquidation; or
- e. Receivership;

of any insurance company, reinsurer or other risk-assuming entity in which the "insured" has placed or obtained insurance for a customer.

However, this exclusion does not apply if the insurance company, reinsurer or other risk-assuming entity was rated "B+" or higher by A. M. Best Company, Inc. at the time the insurance was placed or obtained.

C. Who Is An Insured

The following are "insureds" for "acts, errors or omissions":

1. You.
2. Your partners and their spouses, if you are a partnership, but only with respect to the conduct of your "auto dealer operations".
3. Your members, if you are a limited liability company, but only with respect to the conduct of your "auto dealer operations". Your managers are also "insureds", but only with respect to their duties as your managers.
4. Your "executive officers" and directors, if you are an organization other than a partnership or limited liability company, 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.
5. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of employment by you or while performing duties related to the conduct of your "auto dealer operations".
6. Any "auto" dealership that is acquired or formed by you, other than a partnership or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that "auto" dealership. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the "auto" dealership or the end of the policy period, whichever is earlier; and
- b. Coverage does not apply to "acts, errors or omissions" that were committed before you acquired or formed the "auto" dealership.

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

D. Supplementary Payments

With respect to "Acts, Errors Or Omissions" Liability Coverage, we will pay for the "insured":

1. All expenses we incur.

2. The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
3. All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
4. All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
5. All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

E. Limit Of Insurance And Deductible

1. Regardless of the number of:
 - a. "Insureds";
 - b. Claims made or "suits" brought;
 - c. Persons or organizations making claims or bringing "suits"; or
 - d. "Acts, errors or omissions",the "Acts, Errors Or Omissions" Liability Aggregate Limit shown in the Declarations is the most we will pay for all damages because of "acts, errors or omissions" under Section III.
2. Damages payable under the Limits of Insurance for "Acts, Errors Or Omissions" Liability Coverage are not payable under any applicable Limits of Insurance under Section I – Covered Autos Coverages or Section II – General Liability Coverages.
3. Our obligation to pay damages applies only to the amount of damages in excess of any deductible amount stated in the Declarations as applicable to this coverage. The Limits of Insurance for "Acts, Errors Or Omissions" Liability Coverage will not be reduced by the amount of this deductible.

To settle a claim or "suit", we may pay all or any part of the deductible. If this happens, you must reimburse us for the deductible or that part of the deductible that we paid.

4. The "Acts, Errors Or Omissions" Liability Aggregate Limit applies 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 "Acts, Errors Or Omissions" Liability Aggregate Limit.

SECTION IV – CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions

1. Appraisal For Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire.

The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit", offense, "loss" or "act, error or omission", you must give us or our authorized representative prompt notice of the "accident", offense, "loss" or "act, error or omission". Include:
 - (1) How, when and where the "accident", offense, "loss" or "act, error or omission" occurred;
 - (2) What the "act, error or omission" was;
 - (3) The "insured's" name and address;
 - (4) To the extent possible, the names and addresses of:

- (a) Any injured persons and witnesses; or
- (b) Anyone who may suffer damages as a result of an "act, error or omission".

- b. Additionally, you and any other involved "insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination at our expense, by physicians of our choice, as often as we reasonably require.
- (6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "insured" because of an "act, error or omission" to which this insurance may also apply.

- c. If there is "loss" to a covered "auto" or its equipment, you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and

- b. Under any liability coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment – Physical Damage Coverages

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

This condition does not apply to damages under Paragraph C. Locations And Operations Medical Payments Coverage of Section II – General Liability Coverages.

B. General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceals or misrepresents a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

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

4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own; or
- (2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

d. For General Liability and "Acts, Errors Or Omissions" Liability Coverages, this insurance is primary except when e. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in f. below.

e. This Coverage Form is excess over any other insurance, whether primary, excess, contingent or on any other basis:

- (1) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

- (2) 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;
- (3) If the "loss" arises out of the maintenance or use of aircraft or watercraft to the extent not subject to Exclusion **g.** of Paragraph **A.** Bodily Injury And Property Damage Liability of Section **II** – General Liability Coverages;
- (4) That is specifically written to apply as primary insurance for liability arising out of your "acts, errors or omissions".

f. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover:

- a. "Bodily injury", "property damage" and "losses" occurring;
- b. "Personal and advertising injury" offenses and "acts, errors or omissions" committed; and
- c. "Covered pollution cost or expense" arising out of "accidents" occurring

during the policy period shown in the Declarations and within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico;
- (4) Canada; and
- (5) Anywhere in the world if:
 - (a) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less;
 - (b) The "bodily injury", "property damage" or "personal and advertising injury" is caused by an "insured" who permanently lives within the United States of America, its territories or possessions, Puerto Rico or Canada while the "insured" is temporarily outside of one of those places;
 - (c) The "personal and advertising injury" offense takes place through the Internet or similar electronic means of communication; or
 - (d) The "bodily injury" or "property damage" is caused by one of your "products" which is sold for use in the United States of America, its territories or possessions, Puerto Rico or Canada;

provided that the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

However, the coverage territory described in Paragraph **(5)** above does not apply to "work you performed".

We also cover "bodily injury", "property damage", "covered pollution cost or expense" and "losses" while a covered "auto" is being transported between the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V – DEFINITIONS

- A.** "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B.** "Act, error or omission" means any actual or alleged negligent act, error or omission committed by an "insured" in the course of your "auto dealer operations" arising:
1. Out of an "insured's" failure to comply with any local, state or federal law or regulation concerning the disclosure of credit or lease terms to consumers in connection with the sale or lease of an "auto" in your "auto dealer operations", including, but not limited to, the Truth In Lending and Consumer Leasing Acts;
 2. Out of an "insured's" failure to comply with any local, state or federal law or regulation concerning the disclosure of accurate odometer mileage to consumers in connection with the sale or lease of an "auto" in your "auto dealer operations";
 3. In an "insured's" capacity as an insurance agent or broker in the offering, placement or maintenance of any "auto" physical damage, auto loan/lease gap, credit life or credit disability insurance sold in connection with the sale or lease of an "auto" in your "auto dealer operations", but only if the "insured" holds a valid insurance agent or broker license at the time the "act, error or omission" is committed, in the jurisdiction in which your "auto dealer operations" is located, if required to do so by such jurisdiction; and
 4. Out of a defect in title in connection with the sale or lease of an "auto" in your "auto dealer operations".
- C.** "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
1. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 2. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
- D.** "Auto" means a land motor vehicle, "trailer" or semitrailer.
- E.** "Auto dealer operations" means the ownership, maintenance or use of locations for an "auto" dealership and that portion of the roads or other accesses that adjoin these locations. "Auto dealer operations" also include all operations necessary or incidental to an "auto" dealership.
- F.** "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.
- G.** "Covered pollution cost or expense" means any cost or expense arising out of:
1. Any request, demand, order or statutory or regulatory requirement that the "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
 2. Any 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".
- "Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";

- (2) Otherwise in the course of transit by or on behalf of the "insured";
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto"; or
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if the "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- H. "Customer's auto" means a land motor vehicle, "trailer" or semitrailer lawfully within your possession for service, repair, storage or safekeeping, with or without the vehicle owner's knowledge or consent. A "customer's auto" also includes any such vehicle left in your care by your "employees" and members of their households who pay for services performed.
- I. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- J. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

K. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

L. "Impaired property" means tangible property, other than your "product" or "work you performed", that cannot be used or is less useful because:

- 1. It incorporates your "product" or "work you performed" that is known or thought to be defective, deficient, inadequate or dangerous; or
- 2. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of your "product" or "work you performed" or your fulfilling the terms of the contract or agreement.

M. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

N. "Insured contract" means:

- 1. A lease of premises;
- 2. A sidetrack agreement;
- 3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- 4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- 5. That part of any other contract or agreement pertaining to your "auto" dealership (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
- 6. An elevator maintenance agreement; or
- 7. That part of any contract or agreement entered into, as part of your "auto" dealership, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (1) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawing and specifications; or
 - (2) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.
 - b. That indemnifies any person or organization for damage by fire to premises rented or loaned to you or temporarily occupied by you with permission of the owner.
 - c. That pertains to the loan, lease or rental of an "auto", to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver.
 - d. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
 - e. 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, roadbeds, tunnel, underpass or crossing.
- O.** "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".
- P.** "Loading or unloading" means the handling of property:
- 1. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - 2. While it is in or on an aircraft, watercraft or "auto"; or
 - 3. 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".
- Q.** "Loss" means direct and accidental loss or damage. But for Garagekeepers Coverage only, "loss" also includes any resulting loss of use.
- R.** "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- 1. False arrest, detention or imprisonment;
 - 2. Malicious prosecution;
 - 3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - 4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - 5. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - 6. The use of another's advertising idea in your "advertisement"; or
 - 7. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
- S.** "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.
- T.** "Products" includes:
- 1. The goods or products made or sold in an "auto" dealership by:
 - a. You; or
 - b. An "auto" dealership you have acquired; and
 - 2. The providing of or failure to provide warnings or instructions.
- U.** "Property damage" means damage to or loss of use of tangible property.
- V.** "Suit" means a civil proceeding in which:
- 1. Damages because of "bodily injury", "property damage", "personal and advertising injury" or "acts, errors or omissions"; or
 - 2. A "covered pollution cost or expense", to which this insurance applies, are claimed.
- "Suit" includes:
- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" 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 or "covered pollution costs or expenses" are claimed and to which the "insured" submits with our consent.
- W.** "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.

- X. "Trailer" includes semitrailer.
- Y. "Work you performed" includes:
 - 1. Work that someone performed on your behalf; and
 - 2. The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DEDUCTIBLE LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

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

Named Insured: Bone's Custom Cycles

Endorsement Effective Date: 08/10/2025

SCHEDULE

Covered Autos Liability Coverage and Paragraph **A. Bodily Injury And Property Damage Liability** of Section **II – General Liability Coverages** in the Auto Dealers Coverage Form are subject to one of the following two deductibles shown below:

Liability Deductible:	\$ 1,000	Per "Accident"
OR		
"Property Damage" Only Liability Deductible:	\$ 1,000	Per "Accident"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. Liability Deductible

If a Liability Deductible, and not a "Property Damage" Only Liability Deductible, is shown in the Schedule, the damages resulting from any one "accident" that are otherwise payable will be reduced by the Liability Deductible shown in the Schedule prior to the application of the Limit of Insurance provision.

B. Property Damage Only Liability Deductible

If a "Property Damage" Only Liability Deductible, and not a Liability Deductible, is shown in the Schedule, the damages resulting from any one "accident" that are otherwise payable for "property damage" will be reduced by the "Property Damage" Only Liability Deductible shown in the Schedule prior to the application of the Limit of Insurance provision.

C. Our Right To Reimbursement

To settle any claim or "suit", we will pay all or any part of any deductible shown in the Schedule. You must reimburse us for the deductible or the part of the deductible we paid.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

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

Named Insured: Bone's Custom Cycles

Endorsement Effective Date: 08/10/2025

SCHEDULE

Name(s) Of Person(s) Or Organization(s):

City of Laredo
1102 Bob Bullock Loop
Laredo, TX 78045
flat and fully earned \$50.00

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The **Transfer Of Rights Of Recovery Against Others To Us** condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED FOR COVERED AUTOS LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

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

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

Named Insured: Bone's Custom Cycles

Endorsement Effective Date: 08/10/2025

SCHEDULE

Name Of Person(s) Or Organization(s):

City of Laredo
1102 Bob Bullock Loop, Laredo, TX 78045 flat and fully earned \$50.00

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph **A.1.** of Section **II** – Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph **D.2.** of Section **I** – Covered Autos Coverages of the Auto Dealers Coverage Form.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PUBLIC OR LIVERY PASSENGER CONVEYANCE AND
ON-DEMAND DELIVERY SERVICES EXCLUSION**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

The following exclusion is added:

**Public Or Livery Passenger Conveyance And
On-demand Delivery Services**

This insurance does not apply to any covered "auto" while being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

B. Changes In Physical Damage Coverage

The following exclusion is added:

We will not pay for "loss" to any covered "autos" while being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

C. Changes In Auto Medical Payments

If Auto Medical Payments Coverage is attached, then the following exclusion is added:

**Public Or Livery Passenger Conveyance and
On-demand Delivery Services**

This insurance does not apply to:

"Bodily injury" sustained by an "insured" "occupying" a covered "auto" while it is being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

**D. Changes In Uninsured And/Or Underinsured
Motorists Coverage**

1. If Uninsured and/or Underinsured Motorists Coverage is attached, and:

- a. Contains, in whole or in part, a public or livery exclusion, then the following exclusion in Paragraph 2. does not apply.
- b. Does not contain a public or livery exclusion, then the following exclusion in Paragraph 2. is added.

2. Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
- b. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

E. Changes In Personal Injury Protection Coverage

1. If Personal Injury Protection, no-fault or other similar coverage is attached, and:
 - a. Contains, in whole or in part, a public or livery exclusion, then the following exclusion in Paragraph 2. does not apply.
 - b. Does not contain a public or livery exclusion, then the following exclusion in Paragraph 2. is added.

2. Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
- b. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

F. Additional Definitions

As used in this endorsement:

1. "Delivery network platform" means an online-enabled application or digital network, used to connect customers:
 - a. With drivers; or
 - b. With local vendors using drivers;for the purpose of providing prearranged "delivery services" for compensation. A "delivery network platform" does not include a "transportation network platform".
2. "Delivery services" includes courier services.
3. "Occupying" means in, upon, getting in, on, out or off.
4. "Transportation network platform" means an online-enabled application or digital network used to connect passengers with drivers using vehicles for the purpose of providing prearranged transportation services for compensation.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF TERRORISM

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
SINGLE INTEREST AUTOMOBILE PHYSICAL DAMAGE INSURANCE POLICY

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury, damage, loss or expense, is enclosed in quotation marks:

1. "Terrorism" means activities against persons, organizations or property of any nature:

a. That involve the following or preparation for the following:

- (1) Use or threat of force or violence; or
- (2) Commission or threat of a dangerous act; or
- (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information or mechanical system; and

b. When one or both of the following apply:

- (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
- (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

2. "Any injury, damage, loss or expense" means any injury, damage, loss or expense covered under any Coverage Form or Policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "loss", loss of use, rental reimbursement after "loss" or "covered pollution cost or expense", as may be defined under this Coverage Form, Policy or any applicable endorsement.

B. Except with respect to Physical Damage Coverage, Trailer Interchange Coverage, Garagekeepers Coverage, Garagekeepers Coverage – Customers' Sound Receiving Equipment or the Single Interest Automobile Physical Damage Insurance Policy, the following exclusion is added:

Exclusion Of Terrorism

We will not pay for "any injury, damage, loss or expense" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury, damage, loss or expense" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury, damage, loss or expense. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or

2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
5. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
6. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - a. Physical injury that involves a substantial risk of death; or
 - b. Protracted and obvious physical disfigurement; or
 - c. Protracted loss of or impairment of the function of a bodily member or organ.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraphs **B.5.** and **B.6.** are exceeded.

With respect to this exclusion, Paragraphs **B.5.** and **B.6.** describe the thresholds used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this exclusion will apply to that incident. When the exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form, Policy or any applicable endorsement.

- C. With respect to Physical Damage Coverage, Trailer Interchange Coverage, Garagekeepers Coverage, Garagekeepers Coverage – Customers' Sound Receiving Equipment or the Single Interest Automobile Physical Damage Insurance Policy, the following exclusion is added:

Exclusion Of Terrorism

We will not pay for any "loss", loss of use or rental reimbursement after "loss" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
5. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the threshold in Paragraph **C.5.** is exceeded.

With respect to this exclusion, Paragraph **C.5.** describes the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this exclusion will apply to that incident. When the exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form, Policy or any applicable endorsement.

D. In the event of any incident of "terrorism" that is not subject to the exclusion in Paragraph **B.** or **C.**, coverage does not apply to "any injury, damage, loss or expense" that is otherwise excluded under this Coverage Form, Policy or any applicable endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
**SILICA OR SILICA-RELATED DUST EXCLUSION FOR
COVERED AUTOS EXPOSURE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. The following exclusion is added to Covered Autos Liability Coverage:

Silica Or Silica-related Dust Exclusion For Covered Autos Exposure

This insurance does not apply to:

1. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
2. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".

3. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any "insured" or by any other person or entity.

B. Additional Definitions

As used in this endorsement:

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO DEALERS COVERAGE FORM – GENERAL LIABILITY COVERAGES – TOTAL POLLUTION EXCLUSION

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Exclusion **2.f. Pollution** of Paragraph **A. Bodily Injury And Property Damage Liability** of **Section II – General Liability Coverages** is replaced by the following:

f. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- (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";

- (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".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION – GENERAL LIABILITY COVERAGES

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Section II – General Liability Coverages is changed as follows:

A. The following exclusion is added to Paragraph 2. **Exclusions** of Paragraph A. **Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

Fungi Or Bacteria Exclusion

- (1) "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- (2) Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any "insured" or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

B. The following exclusion is added to Paragraph 2. **Exclusions** of Paragraph B. **Personal And Advertising Injury Liability:**

This insurance does not apply to:

Fungi Or Bacteria Exclusion

- (1) "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- (2) Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any "insured" or by any other person or entity.

C. As used in this endorsement:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or by-products produced or released by fungi.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SILICA OR SILICA-RELATED DUST EXCLUSION FOR GENERAL LIABILITY COVERAGES

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Section II – General Liability Coverages is changed as follows:

A. The following exclusion is added to Paragraph 2. **Exclusions** of Paragraph **A. Bodily Injury And Property Damage Liability**:

Silica Or Silica-related Dust Exclusion

This insurance does not apply to:

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any "insured" or by any other person or entity.

B. The following exclusion is added to Paragraph 2. **Exclusions** of Paragraph **B. Personal And Advertising Injury Liability**:

Silica Or Silica-related Dust Exclusion

This insurance does not apply to:

- a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of,

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
EXCLUSION – DAMAGE TO RENTED PREMISES

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Section II – General Liability Coverages is changed as follows:

- A.** The last paragraph of **2. Exclusions** under Paragraph **A. Bodily Injury And Property Damage Liability** concerning damage by fire to premises while rented to you or temporarily occupied by you does not apply.
- B.** The exception to Exclusion **e. Damage To Property** of Paragraph **2. Exclusions** under Paragraph **A. Bodily Injury And Property Damage Liability** concerning "property damage" to premises does not apply.
- C.** Paragraph **F.5. Limits Of Insurance – General Liability Coverages** does not apply.
- D.** The reference in the Declarations to the "Damage To Premises Rented To You" Limit does not apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – LOCATIONS AND OPERATIONS MEDICAL PAYMENTS

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Paragraph **C. Locations And Operations Medical Payments** of **Section II – General Liability Coverages** does not apply and none of the references to it in the Coverage Form, Declarations or any endorsement attached to the Coverage Form apply.

B. The following is added to Paragraph **E. Supplementary Payments** of **Section II – General Liability Coverages**:

- 6.** Expenses incurred by the "insured" for first aid administered to others at the time of an "accident" for "bodily injury" to which this insurance applies.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – PERSONAL AND ADVERTISING INJURY LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Paragraph **B. Personal And Advertising Injury Liability Coverage** of **Section II – General Liability Coverages** does not apply and none of the references to it in the Coverage Form, Declarations or any endorsement attached to the Coverage Form apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION FOR GENERAL LIABILITY COVERAGES

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Section II – General Liability Coverages is amended as follows:

A. The following exclusion is added to Paragraph 2. **Exclusions of Paragraph A. Bodily Injury And Property Damage Liability:**

This insurance does not apply to any of the following:

Communicable Disease

"Bodily injury" or "property damage" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the:

- (1) Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- (2) Testing for a communicable disease;
- (3) Failure to prevent the spread of the disease; or
- (4) Failure to report the disease to authorities.

B. The following exclusion is added to Paragraph 2. **Exclusions of Paragraph B. Personal And Advertising Injury Liability:**

This insurance does not apply to any of the following:

Communicable Disease

"Personal and advertising injury" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the:

- (1) Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- (2) Testing for a communicable disease;
- (3) Failure to prevent the spread of the disease; or
- (4) Failure to report the disease to authorities.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF SPECIFIED ACTS, ERRORS OR OMISSIONS LIABILITY COVERAGES

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

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

<p>Named Insured: Bone's Custom Cycles</p> <p>Endorsement Effective Date: 08/10/2025</p>
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SCHEDULE

If indicated in the Schedule below, the "act, error or omission" definition contained in **Section V – Definitions** is changed as follows:

<p>Excluded Coverages:</p> <p><input type="checkbox"/> A. Paragraph 1., related to truth in lending, does not apply.</p> <p><input type="checkbox"/> B. Paragraph 2., related to odometer, does not apply.</p> <p><input type="checkbox"/> C. Paragraph 3., related to insurance agents or brokers, does not apply.</p> <p><input type="checkbox"/> D. Paragraph 4., related to title, does not apply.</p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANNABIS EXCLUSION WITH HEMP EXCEPTION FOR GENERAL LIABILITY COVERAGES

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. The following exclusion is added to Section II – General Liability Coverages:

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of:
 - a. The design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of "cannabis"; or
 - b. The actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of "cannabis"; or
2. "Property damage" to "cannabis".

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 "accident" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved that which is described in Paragraph **A.1.** or **A.2.** above.

However, Paragraph **A.1.b.** does not apply to "bodily injury" or "property damage" arising out of the actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, or contact with, "cannabis" by:

- (1) An "insured"; or
- (2) Any other person for whom you are legally responsible;

but only if the "bodily injury" or "property damage" does not arise out of your selling, serving or furnishing of "cannabis" to any person described above.

B. The exclusion in Paragraph A. does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of goods or products containing or derived from hemp, including, but not limited to:
 - a. Seeds;
 - b. Food;
 - c. Clothing;
 - d. Lotions, oils or extracts;
 - e. Building materials; or
 - f. Paper.
2. "Property damage" to goods or products described in Paragraph **B.1.** above.

However, Paragraphs **B.1.** and **B.2.** above do not apply to the extent any such goods or products are prohibited under an applicable state or local statute, regulation or ordinance in the state wherein:

- (1) The "bodily injury" or "property damage" occurs;
 - (2) The "accident" which caused the "bodily injury" or "property damage" takes place; or
 - (3) The offense which caused the "personal and advertising injury" was committed;
3. "Personal and advertising injury" arising out of the following offenses:
 - a. False arrest, detention or imprisonment; or
 - b. The wrongful eviction from, wrongful entry into or invasion of the right or private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor.

C. Additional Definition

As used in this endorsement:

"Cannabis":

1. Means:

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

2. Paragraph C.1. above includes, but is not limited to, any of the following containing such THC or cannabinoid:

a. Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or

b. Any compound, by-product, extract, derivative, mixture or combination, such as:

(1) Resin, oil or wax;

(2) Hash or hemp; or

(3) Infused liquid or edible cannabis;

whether or not derived from any plant or part of any plant set forth in Paragraph **C.2.a.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – VIOLATION OF LAW ADDRESSING DATA PRIVACY (INCLUDING BIOMETRIC INFORMATION)

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

A. This exclusion is added to the sections as described below:

SECTION II – GENERAL LIABILITY COVERAGES, Paragraph **A. Bodily Injury And Property Damage Liability**, subparagraph **2. Exclusions**; and
SECTION II – GENERAL LIABILITY COVERAGES, Paragraph **B. Personal And Advertising Injury Liability**, subparagraph **2. Exclusions**.

This insurance does not apply to:

Violation Of Law Addressing Data Privacy

“Bodily injury”, “property damage” or “personal and advertising injury” arising directly or indirectly out of:

1. Any action or omission that violates or is alleged to violate any current or future federal, state or local statute, ordinance, regulation, common law or other law that addresses, prohibits, or limits access to, use of or the recording, printing, dissemination, distribution, disclosure, obtaining, collecting, capturing, possessing, storing, protecting, safeguarding, retention, sending, transmitting, communicating, releasing, destruction, disposal, selling, leasing, purchasing or trading of any other types for profit, of any person’s or organization’s confidential or personal material or information including financial, health, “biometric information” or other nonpublic material or information, including but not limited to:
 - a. The Illinois Biometric Information Privacy Act (BIPA), including any amendment of or addition to such law; or
 - b. The California Consumer Privacy Act (CCPA), including any amendment of or addition to such law; or
2. Any law of a jurisdiction other than the United States of America (including its territories and possessions) or Puerto Rico that is similar to any statute, ordinance, regulation, common law or other law described in Paragraph 1. above, including but not limited to the European Union’s General Data Protection Regulation.

Paragraphs 1. and 2. above include the violation of any policies or practices enacted in support of such laws as well as violations of any subsequent rules or regulations promulgated thereunder.

B. The following is added to **SECTION V – DEFINITIONS**:

“Biometric information” means:

1. Any biometric identifier including but not limited to retina or iris scan, fingerprint, voiceprint or scan of hand or face geometry; or
2. Any information, regardless of how it is captured, converted, stored or shared, based on an individual’s biometric identifier used to identify an individual.

All other terms and conditions of this policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCES (PFAS) EXCLUSION FOR GENERAL LIABILITY COVERAGES

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

Section II – General Liability Coverages is changed as follows:

- A.** The following exclusion is added to Paragraph 2. **Exclusions** of Paragraph **A. Bodily Injury And Property Damage Liability**:
- 2. Exclusions**
This insurance does not apply to any of the following:
Perfluoroalkyl And Polyfluoroalkyl Substances
- a.** "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged, threatened or suspected inhalation, ingestion, absorption, consumption, discharge, dispersal, seepage, migration, release or escape of, contact with, exposure to, existence of, or presence of, any "perfluoroalkyl or polyfluoroalkyl substances".
- b.** Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "perfluoroalkyl or polyfluoroalkyl substances", by any "insured" or by any other person or entity.
- B.** The following exclusion is added to Paragraph 2. **Exclusions** of Paragraph **B. Personal And Advertising Injury Liability**:
- 2. Exclusions**
This insurance does not apply to:
Perfluoroalkyl And Polyfluoroalkyl Substances
- a.** "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged, threatened or suspected inhalation, ingestion, absorption, consumption, discharge, dispersal, seepage, migration, release or escape of, contact with, exposure to, existence of, or presence of, any "perfluoroalkyl or polyfluoroalkyl substances".
- b.** Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "perfluoroalkyl or polyfluoroalkyl substances", by any "insured" or by any other person or entity.

C. Additional Definitions

As used in this endorsement:

"Perfluoroalkyl or polyfluoroalkyl substances" means any:

1. Chemical or substance that contains one or more alkyl carbons on which hydrogen atoms have been partially or completely replaced by fluorine atoms, including but not limited to:
 - a. Polymer, oligomer, monomer or nonpolymer chemicals and their homologues, isomers, telomers, salts, derivatives, precursor chemicals, degradation products or by-products;
 - b. Perfluoroalkyl acids (PFAA), such as perfluorooctanoic acid (PFOA) and its salts, or perfluorooctane sulfonic acid (PFOS) and its salts;
 - c. Perfluoropolyethers (PFPE);
 - d. Fluorotelomer-based substances; or
 - e. Side-chain fluorinated polymers; or
2. Good or product, including containers, materials, parts or equipment furnished in connection with such goods or products, that consists of or contains any chemical or substance described in Paragraph **C.1**.

TEXAS NOTICE TO INSURANCE CLAIMANTS FOR MOTOR VEHICLE REPAIRS

(This form was developed by the Texas Department of Insurance.)

THIS NOTICE IS REQUIRED BY LAW. IT DOES NOT CONSTITUTE AN ADMISSION OF LIABILITY BY THE INSURANCE COMPANY.

REQUIRED NOTICE TO INSURANCE CLAIMANTS FOR MOTOR VEHICLE REPAIRS

By law, you have the right to select where your motor vehicle is repaired and the parts used for repairs. However, an insurance company is not required to pay more than a reasonable amount for such repairs and parts. Your statutory rights regarding motor vehicle repairs are explained in the copy of the Insurance Code §§ 1952.301 to 1952.307, printed on the reverse side of this notice or attached to this notice. If the costs of repairing your vehicle are to be paid under an insurance policy issued by us, the nature of the coverage is stated in more detail in the applicable policy. For detailed information regarding the insurance policy, contact:

NAME OF INSURANCE COMPANY: MESA UNDERWRITERS SPECIALTY INSURANCE COMPANY

MAILING ADDRESS: P.O. Box 4030, Scottsdale, AZ 85261-4030

TELEPHONE: 1-866-547-0868

FAX: 1-480-306-8301

E-MAIL OR WEB ADDRESS: www.music-ins.com

For questions about your statutory rights regarding motor vehicle repairs under the Insurance Code §§ 1952.301 to 1952.307, contact the Texas Department of Insurance. You may write to the Consumer Protection Division at P.O. Box 149104, Austin, TX 78714-9104, call 1-800-252-3439, fax 1-512-490-1007, e-mail ConsumerProtection@tdi.texas.gov, or visit the Department online at www.tdi.texas.gov.

LA LEY REQUIERE ESTE AVISO, PERO NO CONSTITUYE ADMISION DE RESPONSABILIDAD CIVIL DE LA COMPANIA ASEGURADORA.

AVISO OBLIGATORIO A LOS QUE PRESENTAN RECLAMACIONES

PARA REPARACION DE VEHICULO DE MOTOR

Por ley, usted tiene derecho a escoger donde desea que su vehiculo sea reparado y las refacciones que se usen en la reparacion. Sin embargo, la compania aseguradora no esta obligada a pagar mas de la cantidad razonable por las reparaciones y refacciones. Sus derechos por estatuto concernientes a las reparaciones de vehiculo de motor estan descritos en la copia delCodigo de Seguros §§ 1952.301 a 1952.307, impreso al reverse de este aviso o adjunto a este aviso. Si el costo de reparar su vehiculo debe ser pagado bajo una poliza de seguro que nosotros dimos, la naturaleza tecnica de la cobertura es establecida en mas detalle en la poliza aplicable. Para informacion detallada acerca de la poliza de seguro, contacte:

NOMBRE DE LA COMPANIA ASEGURADORA: MESA UNDERWRITERS SPECIALTY INSURANCE COMPANY

DIRECCION DE CORREOS: P.O. Box 4030, Scottsdale, AZ 85261-4030

TELEFONO: 1-866-547-0868

FAX: 1-480-306-8301

DIRECCION DE E-MAIL O INTERNET: www.music-ins.com

Para preguntas sobre sus derechos por estatuto respecto a las reparaciones de vehiculo de motor bajo elCodigo de Seguros §§ 1952.301 a 1952.307, comuniquese con el Departamento de Seguros de Texas (Texas Department of Insurance or TDI). Puede escribir a Consumer Protection Division al P.O. Box 149104, Austin, TX 78714-9104, llamar al 1-800-252-3439, enviar fax al 1-512-490-1007, e-mail a ConsumerProtection@tdi.texas.gov o visitar el sitio electronico de TDI por internet al www.tdi.texas.gov.

TEX.INS.CODE.ANN. § 1952.301

LIMITATION ON PARTS, PRODUCTS, OR REPAIR PERSONS OR FACILITIES PROHIBITED.

- (a) Except as provided by rules adopted by the commissioner, under an automobile insurance policy that is delivered, issued for delivery, or renewed in this state, an insurer may not directly or indirectly limit the insurer's coverage under a policy covering damage to a motor vehicle by:
- (1) specifying the brand, type, kind, age, vendor, supplier, or condition of parts or products that may be used to repair the vehicle; or
 - (2) limiting the beneficiary of the policy from selecting a repair person or facility to repair damage to the vehicle.
- (b) In settling a liability claim by a third party against an insured for property damage claimed by the third party, an insurer may not require the third-party claimant to have repairs made by a particular repair person or facility or to use a particular brand, type, kind, age, vendor, supplier, or condition of parts or products.

TEX.INS.CODE.ANN. § 1952.302

PROHIBITED ACTS IN CONNECTION WITH REPAIR OF MOTOR VEHICLE.

In connection with the repair of damage to a motor vehicle covered under an automobile insurance policy, an insurer, an employee or agent of an insurer, an insurance adjuster, or an entity that employs an insurance adjuster may not:

- (1) solicit or accept a referral fee or gratuity in exchange for referring a beneficiary or third-party claimant to a repair person or facility to repair the damage;
- (2) state or suggest, either orally or in writing, to a beneficiary that the beneficiary must use a specific repair person or facility or a repair person or facility identified on a preferred list compiled by an insurer for the damage repair or parts replacement to be covered by the policy; or
- (3) restrict the right of a beneficiary or third-party claimant to choose a repair person or facility by requiring the beneficiary or third-party claimant to travel an unreasonable distance to repair the damage.

TEX.INS.CODE.ANN. § 1952.303

CONTRACTS BETWEEN INSURER AND REPAIR PERSON OR FACILITY.

- (a) A contract between an insurer and a repair person or facility, including an agreement under which the repair person or facility agrees to extend discounts for parts or labor to the insurer in exchange for referrals by the insurer, may not result in a reduction of coverage under an insured's automobile insurance policy.
- (b) The commissioner may adopt rules under Chapter 542 with respect to any fraudulent activity of any party to an agreement described by Subsection (a).

TEX.INS.CODE.ANN. § 1952.304

PROVISION OF INFORMATION REGARDING REPAIRS.

An insurer may not prohibit a repair person or facility from providing a beneficiary or third-party claimant with information that states:

- (1) the description, manufacturer, or source of the parts used; and
- (2) the amounts charged to the insurer for the parts and related labor.

TEX.INS.CODE.ANN. § 1952.305

NOTICE OF RIGHTS REGARDING REPAIR OF MOTOR VEHICLE.

- (a) At the time a motor vehicle is presented to an insurer, an insurance adjuster, or other person in connection with a claim for damage repair, the insurer, insurance adjuster, or other person shall provide to the beneficiary or third-party claimant notice of the provisions of this subchapter.
- (b) The commissioner shall adopt a rule establishing the method or methods insurers must use to comply with the notice provisions of this section.

TEX.INS.CODE.ANN. § 1952.306

COMPLAINTS.

A beneficiary, third-party claimant, or repair person or facility may submit a written, documented complaint to the department with respect to an alleged violation of this subchapter.

TEX.INS.CODE.ANN. § 1952.307

RULES.

Rules adopted by the commissioner to implement this subchapter must include requirements that:

- (1) any limitation described by Section 1952.301(a) be clearly and prominently displayed on the face of the insurance policy or certificate in lieu of an insurance policy; and
- (2) the insured give written consent to a limitation described by Section 1952.301(a) after the insured is notified orally and in writing of the limitation at the time the insurance policy is purchased.