

**AGENCY SERVICE AGREEMENT
COMMUNITY DEVELOPMENT BLOCK GRANT
ECONOMIC DEVELOPMENT MICRO-ENTERPRISE**

AN AGREEMENT, by and between Kitsap County hereinafter referred to as “County” and **Kitsap Community Resources**, hereinafter referred to as “Agency” by which the Agency agrees to carry out specific activities under Kitsap County’s Community Development Block Grant Program and establishing certain other terms and conditions of operation.

IN ADDITION TO THE TERMS AND CONDITIONS OF THIS AGREEMENT, the parties acknowledge that the following attachments, which are attached to this Agreement, are expressly incorporated by this reference.

ATTACHMENTS

- Attachment A – Budget Summary
- Attachment B – Certification Regarding Debarment, Suspension, and Other Responsibility Matters
- Attachment C – Certification Regarding Lobbying

IT IS MUTUALLY AGREED AS FOLLOWS:

ARTICLE I. PROJECT

SECTION 1. SCOPE OF SERVICES

The County, as recipient of a Community Development Block Grant (CDBG) from the United States Department of Housing and Urban Development (HUD), hereby designates the Agency to undertake, and the Agency hereby agrees to undertake the activities specifically described in the application and summarized below:

A. General Statement

CDBG funds will be used to support the personnel, administrative, marketing and client direct service costs of the BE\$T (Business Education Support & Training) Program, a micro-enterprise program providing business training and on-going support services to assist low income micro-enterprise business owners with skills to start or expand their own micro-enterprise business, which is a business with five or fewer employees, including the owner. The BE\$T positions to be funded in part by CDBG are the following KCR employees: BE\$T Program Support Manager/Instructor (.60 FTE), oversight by the BE\$T Program Manager/Business and Financial Education Manager (as needed) and a Project Support Coordinator (.25 FTE for 6 months).

B. Agency Shall:

1. Provide micro-business development services to twenty five (25) low and very low-income unduplicated micro-enterprise businesses owners in Kitsap County.
2. Ensure client eligibility through income qualification process requiring documentation of income and assets and input into the HUD income calculator.

Maintain client income and demographic information on micro-enterprise businesses served.

3. Document total unduplicated micro-enterprise business owners served through 8-week classes, including the breakdown of Bremerton, Kitsap and those that do not qualify for CDBG assistance.
4. Track the total tuition received each quarter and apply as a credit to County or City CDBG.
5. Hold 8-week business training classes, instructed by a professional business trainer, for micro-enterprise business owners or those actively working to develop a micro-enterprise business on topics including personal financial assessment, developing business idea, start-up costs, operating expenses, costs of goods sold, profit and loss, sales, branding and marketing, licensing and taxes, business insurance and developing a feasibility study.
6. Assist BE\$T graduates through monthly support groups/networking events, facilitated by program instructor and/or special guest speakers, on topics including, marketing, sales, business insurance, using social media for business and taxes.
7. Assist BE\$T clients through 1:1 personalized consultations, technical assistance and coaching, as needed, using mentors who are local experts in business licensing and tax law, accounting and financial education, marketing and branding, etc.
8. Assist BE\$T clients with the application process for micro-loans through community banking partners and provide grants.
9. Provide opportunities for clients through networking events and other opportunities as they arise.
10. Follow-up with BE\$T graduates through on-going communication and collect and track current business status information and provide assistance as needed.
11. Provide scholarships to assist micro-enterprise business owners with tuition, event costs, or start-up materials.
12. Assist BE\$T clients as needed with gas vouchers or referrals to other services.
13. Submit quarterly reports and reimbursement vouchers in a timely manner
14. Participate in on-site agency monitoring before final close-out of the contract.

SECTION 2. PROJECT DESCRIPTION

<i>Project Details</i>	
Project Name:	BE\$T (Business Education Support & Training) Program
Funded Amount:	\$30,000
Action Plan Year:	2025
Type of Project:	Economic Development – Micro-enterprise Assistance
Service Area:	Kitsap County
Project Address/Location:	845 8 th St. Bremerton, WA 98337
<i>Eligibility</i>	
National Objective:	LMC

Basic Eligible Activity Citation:	24 CFR 570.201(o)(1) – Micro-enterprise Assistance
Matrix Code:	18C Micro-enterprise
Strategic Plan Objective and Strategy:	Economic Opportunities
<i>HUD Performance Measures</i>	
HUD Objective of Activity:	Economic opportunities
HUD Outcome:	Availability/Accessibility
<i>Federal Contract Requirements – 2 CFR Part 200</i>	
Subrecipient UEI Number:	WYSCRVNX33J8
Federal Assistance Listing Number (ALN):	14.218
Research or Development Contract:	No
Indirect Cost (IDC) Rate for Federal Award:	
<input checked="" type="checkbox"/> Approved Rate	8.8%
<input type="checkbox"/> De Minimis for IDC Rate	
<input type="checkbox"/> Not Applicable	

SECTION 3. SCHEDULE FOR COMPLETION (specific milestones)

Specific Tasks	Start Date	End Date
Four 8-week Business Development Training Sessions (one each quarter)	1/1/25	12/31/25
Business Support Group Meetings offered once a month	1/1/25	12/31/25
Submit 1 st quarter Performance & Demographic Reports	4/1/25	4/15/25
Submit 2 nd quarter Performance & Demographic Reports	7/1/25	7/15/25
Submit 3 rd quarter Performance & Demographic Reports	10/1/25	10/15/25
Submit 4 th quarter (final) Performance & Demographic Reports NOTE: <i>this report will be for October and November only</i>	12/1/25	12/15/25
Submit final invoice requesting reimbursement (<i>this is to meet County processing timeline for 2025 contract expenditures</i>)	12/1/25	1/6/26

SECTION 4. TERM OF AGREEMENT

The term of this Agreement **January 1, 2024** through **December 31, 2025**, but may be extended should additional time for auditing this project be required, in accordance with law, this Agreement shall be deemed automatically extended until such time as the said audit shall be completed. Notwithstanding other provisions of this agreement, the term of this Agreement shall cover the period that the Agency has control over Community Development Block Grant funds, including program income.

SECTION 5. PROGRAM REPORTING

The Agency shall submit such reports as required by the County to meet its local obligations and its obligation to the Department of Housing and Urban Development. The County will prescribe the report format, as well as the time and location for submission of such reports. Required reports include but are not limited to the following:

- (A) Quarterly reports which shall include the progress made to date, or justification for lack of progress, in providing the services specified in Article I, Section 1 Scope of Services, of this Agreement.
- (B) Quarterly reports on demographic, neighborhood residence, and income information regarding persons assisted by the Agency through this Agreement.
- (C) Close out reports including a final performance report, inventory of all property acquired or improved with CDBG funds, and final financial report, upon termination or completion of the award.

ARTICLE II. FINANCIAL CONDITIONS

SECTION 1. BUDGET AND COMPENSATION

The County shall reimburse the Agency its allowable costs for the services identified in this Agreement not to exceed **Thirty Thousand dollars (\$30,000)**, upon presentation of a properly executed invoice in a form approved by the County.

Such reimbursement shall constitute full and complete payment by the County under this Agreement. Allowable costs shall mean those necessary and proper costs identified in the Agency's application and approved by the County, unless any or all such costs are disallowed by the State of Washington or the United States.

Any reimbursements made under this Agreement must comply with the applicable requirements of 2 CFR Part 200, Subpart D. The Agency may not request disbursement of funds under this Agreement until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed.

Budget Summary:

See Attachment A for Budget Summary

Time of Payment: Payment shall be made upon receipt of reimbursement request voucher emailed to: Bonnie Tufts btufts@kitsap.gov or Shannon Bauman sbauman@kitsap.gov.

Where Payments Are Made: Payments shall be made to: **Kitsap Community Resources, 845 8th Street, Bremerton, WA 98337.**

The Agency shall apply the funds received from the County under this Agreement in accordance with the Budget Summary outlined in Attachment A. Any line-item expense, by itself or in combination with other line item expense change, equal to or greater than 10% of the total budget amount over the life of the Agreement shall require a formal amendment to the Agreement. Any request for a line-item expense, by itself or in combination with other line item expense change, equal to or less than 10% of the total budget amount shall be submitted in writing and shall specifically state the reasons for the requested increase and a justification for the corresponding decrease in

other line-item(s). All budget revision and/or amendment requests will be reviewed and approved or denied by the County.

SECTION 2. DOCUMENTATION OF COSTS AND OTHER FINANCIAL REPORTING

All costs shall be supported by properly executed payrolls, time records, invoices, vouchers or other official documentation, as evidence of the nature and propriety of the charges. All accounting documents pertaining in whole or in part to this Agreement shall be clearly identified and readily accessible, and upon reasonable notice, the County and United States shall have the right to audit the records of the Agency as they relate to the work. The Agency shall also:

- (A) Maintain an effective system of internal fiscal control and accountability for all CDBG funds and property acquired or improved with CDBG funds, and make sure the same are used solely for authorized purposes.
- (B) Keep a continuing record of all disbursements by date, check number, amount, vendor, description of items purchased and line item from which money was expended, as reflected in the Agency's accounting records. The line item notations must be substantiated by a receipt, invoice marked "Paid," or payroll record.
- (C) Maintain payroll and financial records for a period of six (6) years after receipt of final payment under this Agreement provided that this program has been monitored by HUD and the annual State audit (which includes the CDBG Program), has been completed. If HUD has not completed the annual State audit, the records must be retained until such audit has been completed.
- (D) Permit inspection and audit of its records with respect to all matters authorized by this Agreement by representatives of the County the State Auditor, and/or the United States at any time during normal business hours and as often as necessary.
- (E) Inform the County concerning any funds allocated to the Agency, that the Agency anticipates will not be expended during the Agreement period, and permit reassignment of the same by the County to other agencies.
- (F) Repay to the County any funds in its possession at the time of termination of this Agreement that may be due to the County or the United States.
- (G) Maintain complete records concerning the receipt and use of all program income. Program income shall be reported on a quarterly basis on forms provided by the County.

SECTION 3. REIMBURSEMENT

The County shall reimburse the Agency only for actual incurred costs upon presentation of a properly executed invoice in a form approved by the County. Only those allowable costs directly related to the Agency's application, approved by the County shall be paid consistent with Article II Section 2 Documentation of Costs and Other Financial Reporting. The Amount of each request must be limited to the amount needed for payment of eligible costs.

Notwithstanding any other provisions in this section, reimbursement for construction contracts shall have ten percent (10%) of the payment retained until close out of funds pursuant to Article IV, Section 12 of this agreement.

In the event the County or United States determines any funds were expended by the Agency for unauthorized or ineligible purposes or the expenditures constitute disallowed costs in any other way, the County or United States may order repayment of the same. The Agency shall remit the disallowed amount to the County within thirty (30) days of written notification of the disallowance.

The Agency agrees that funds determined by the County to be surplus upon completion of the Agreement will be subject to cancellation by the County.

The Agency agrees that upon expiration of this Agreement, the Agency shall transfer to the County any CDBG funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds.

The County shall be relieved of any obligation for payments if funds allocated to the County cease to be available for any cause other than malfeasance of the County itself.

The County reserves the right to withhold payments pending timely delivery of program reports or documents as may be required under this Agreement.

SECTION 4. PROGRAM INCOME/APPLICABLE CREDITS

Use of any program income or applicable credits received by the Agency with CDBG funds under this Agreement shall comply with 24 CFR 570.504 (c) or 2 CFR 200.406(a), as applicable, consistent with the provisions described as follows.

- ☐ This project shall not generate any program income
- ☐ This project may generate program income. Program income and Recaptured funds will be returned to the County CDBG Program on a monthly basis for deposit in the County's local HOME account. The funds will be considered additional CDBG funds, subject to all conditions applicable to the use of funds and will be included in an Action Plan and may be appropriated to the Agency through a contract.
- ☒ This project may generate applicable credits. Applicable credits refer to those receipts or reduction-of-expenditure-type transactions that offset or reduce expense items allocable to the Federal award. Examples include: tuition costs. These credits

must be relatable to allowable costs, and they must be credited to the Federal award as a cost reduction of the reimbursement amount requested. Agency shall comply with requirements under 2 CFR 200.406 (a).

Any program income or applicable credits on hand when this Agreement is terminated, or received after such termination, shall be reimbursed to the County.

ARTICLE III. FEDERAL CONDITIONS

SECTION 1. BENEFIT TO LOW INCOME PEOPLE

Agencies who provide microenterprise activities, carried out in accordance with the HUD regulations, qualify when the person owning or developing the microenterprise is Low/Moderate Income (LMI). For purposes of the CDBG Program, a business with fewer than 5 employees, including the owner, is designated as a 'microenterprise.' The persons developing microenterprises is defined as persons who have expressed interests in and who are, or after an initial screening process are expected to be, actively working toward developing businesses, each of which is expected to be a microenterprise at the time it is formed, 24 CFR Part 570.201(0)(3). Microenterprise assisted programs can only qualify under the limited clientele criteria for LMI benefit, if the business owner is LMI. In certifying LMI status, the County need only look at the owner's income, not that of any employees. Furthermore, there is a 3-year presumption of LMI status to allow for continued assistance. (Please note, however, that in order to qualify as an eligible microenterprise activity, the business must still meet the definition of 'microenterprise' each time new financing is provided.)

The Agency shall maintain records that clearly document the income range and household size and DUNS numbers of each Microenterprise business owner and business to be created. Furthermore, the Agency shall maintain records documenting if the person being served is a female head of household, is handicapped, and/or is an ethnic/racial minority.

SECTION 2. UNIFORM ADMINISTRATIVE REQUIREMENTS

(A) All agencies shall comply with the requirements set forth in 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*:

- (B) All agencies are to procure audit services based 2 CFR Part 200, Subpart F; and
- (1) The Agency shall maintain its records and accounts so as to facilitate the audit requirement and shall ensure that all contractors (performing all or part of the services under this Agreement under a separate contract with the Agency) also maintain auditable records.
 - (2) The Agency is responsible for any audit exceptions incurred by its own organization or that of its Contractors.
 - (3) Kitsap County reserves the right to recover from the Agency all disallowed costs resulting from the audit.
 - (4) Responses to any unresolved management findings and disallowed or questioned costs shall be included with the audit report. The Agency must

respond to Kitsap County requests for information or corrective action concerning audit issues within thirty (30) days of the date of request.

SECTION 3. SEPARATION OF CHURCH AND STATE

If the Agency is a faith-based organization, it must comply with 24 CFR § 570.200(j) and 24 CFR § 5.109, which specify requirements for participation by faith-based organizations in HUD programs and activities.

SECTION 4. NON-DISCRIMINATION IN EMPLOYMENT AND PURCHASING

The Agency shall comply with Executive Order 11246, as amended by Executive Order 12086 and Executive Order 13672, and the regulations issued pursuant thereto (41 CFR Chapter 60), which provide that no person shall be discriminated against on the basis of race, color, religion, sex, sexual orientation, gender identity, or national origin in all phases of employment during the performance of Federal or federally assisted construction contracts. The Agency shall take affirmative action to ensure fair treatment in employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay, or other forms of compensation and selection for training and apprenticeship. The Agency shall ensure compliance with 24 CFR § 570.601.

SECTION 5. LOCAL EMPLOYMENT AND PURCHASING

Funding under this agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u. The Agency agrees to comply with provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135, and all applicable rules and orders of the Department of Housing and Urban Development issued thereunder. The Agency agrees that they are under no contractual or other disability which would prevent them from complying with these requirements.

Section 3 of the Housing and Urban Development Act of 1968 requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and agreements for work in connection with the project be awarded to business concerns which are located in or owned in substantial part by persons residing in, the area of the project. Section 3 applies to training, employment, contracting and other economic opportunities arising in connection with the expenditure of housing assistance and community development assistance that is used for the following projects: 1. Housing rehabilitation (including reduction and abatement of lead based paint hazards, but excluding routine maintenance, repair and replacement); 2. Housing construction; and 3. Other public construction.

SECTION 6. CONFLICT OF INTEREST

No member, officer, or employee of the Agency, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any function or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any interest, direct or indirect, in this Agreement or any subagreement, hereto or the proceeds thereof. **The Agency shall take appropriate steps to ensure compliance including incorporation of the following provision in every subcontract:**

The contractor covenants that no person who presently exercises any functions or responsibilities in connection with the Kitsap County CDBG Program will obtain a personal or financial interest from the CDBG assisted activity. The Contractor further covenants that he/she presently has no interest in, nor shall he/she acquire any interest, direct or indirect, either for themselves or those with whom they have business, or family, which would conflict in any manner or degree with the performance of his/her services hereunder. The contractor further covenants that in the performance of this Agreement any potential conflict, on the part of the contractor or his/her employees, will be disclosed to the Agency and the County.

SECTION 7. DISCRIMINATION PROHIBITED

- (A) In performing under this Agreement, the Agency may not discriminate on a prohibited basis and must comply with 24 CFR § 570.602 and with 24 CFR Part 6, which sets forth policies and procedures prohibiting discrimination on the basis of race, color, national origin, religion or sex in programs and activities funded with federal financial assistance, 24 CFR Part 8, which sets forth policies and procedures prohibiting discrimination on the basis of disability in programs and activities funded with federal financial assistance, and 24 CFR Part 146, which sets forth policies and procedures prohibiting discrimination on the basis of age in programs and activities funded with federal financial assistance.
- (B) Any authorized Agency subcontract (or other assignment of rights or delegation of duties) must include appropriate and legally binding safeguards against discrimination consistent with the requirements of this section.

SECTION 8. FLOOD DISASTER PROTECTION.

The Agency agrees to comply with section 202(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106) and the regulations in 44 CFR Parts 59 through 79.

SECTION 9. DEBARMENT AND SUSPENSION.

The Agency agrees to certify that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency in accordance with Executive Orders 12549 and 12689, 2 CFR 2424.

SECTION 10. OTHER PROGRAM REQUIREMENTS

(A) The Agency shall carry out each activity in compliance with all Federal laws and regulations described in Subpart K of 24 CFR 570, regardless of whether the law is specifically stated in this Agreement, except that:

(1) The Agency does not assume the County's environmental responsibilities described in 24 CFR 570.604; and

(2) The Agency does not assume the County's responsibility for initiating the review process under Executive Order 12372.

(B) For Agreements in excess of \$150,000, the Agency agrees to comply with the Clean Air Act, 42 U.S.C.7401-7671q, and the Federal Water Pollution Control Act, 22 U.S.C. 1251-1387.

(C) The Agency agrees to comply with the Byrd Anti-Lobbying Amendment, 31 U.S.C. 1352, where applicable.

(D) If the Agreement involves the acquisition or improvement of real property or equipment, the Agency agrees to comply with the provisions of 2 CFR 200.310 – 200.316.

ARTICLE IV: GENERAL CONDITIONS

SECTION 1. COMPLIANCE WITH LAWS

The Agency, in performance of this Agreement, agrees to comply with all applicable Federal, State and Local Laws and ordinances, and the rules and regulations promulgated by the U.S. Department of Housing and Urban Development, including, but not limited to, Federal Community Development Block Grant Regulations and other policies and guidelines established for the Kitsap County CDBG Program by the Kitsap County Board of Commissioners. The Agency agrees to comply with all provisions of the Americans with Disabilities Act and all regulations interpreting or enforcing such act.

SECTION 2. LICENSING AND PROGRAM STANDARDS

The Agency agrees to comply with and to obtain at its own expense, if necessary, all applicable Federal, State, County or Municipal standards for licensing, certification and operation of facilities and programs, and accreditation and licensing of individuals, and any other standards or criteria as described in the Agreement to ensure quality of services.

SECTION 3. INSURANCE

Prior to commencing work, Agency shall procure and maintain at Agency's own cost and expense for the duration of the Agreement the following insurance placed with insurers with a minimum Best's rating of A-, VI against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work or services hereunder by the Agency, its agents, representatives, employees or subcontractors.

Minimum Limits of Insurance. Agency shall maintain limits no less than:

- *Commercial General Liability:* One million dollars (\$1,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage, and two million dollars (\$2,000,000) aggregate. Coverage shall be on an "occurrence" basis.
- *Comprehensive Automobile Liability Insurance:* One million dollars (\$1,000,000) combined single limit per accident for bodily injury/property damage. Coverage will include owned, hired, and non-owned vehicles.
- *Workers' Compensation and Employer's Liability:* Workers' Compensation coverage as required by Title 51, Revised Code of Washington.
- *Professional Liability Errors and Omissions:* In the event that services delivered pursuant to this contract either directly or indirectly involve or require professional services, the Agency will provide professional liability errors and omissions coverage with a minimum limit of \$1,000,000 per claim and in the aggregate.

Miscellaneous Insurance Provisions

- *Agency's Insurance is Primary:* The Agency's liability insurance provisions will be primary with respect to any insurance or self-insurance programs covering the County, its elected and appointed officers, officials, employees and agents.
- *Additional Insured:* The Agency's commercial general liability and automobile liability insurance (if applicable) will include the County, its officers, officials, employees, and agents as additional insured, without limitation, with respect to performance under the contract.
- ***Evidence of Agency's Insurance*** shall be presented to Kitsap County Department of Human Services prior to the execution of the agreement. In the event of non-renewal, cancellation, or material change in coverage, thirty (30) days written notice will be furnished to the County prior to the date of cancellation, non-renewal or change. Written notice of cancellation or change will be mailed to the County at the following address:

Kitsap County Department of Human Services
Block Grant Program
614 Division Street, MS-23
Port Orchard, WA 98366

Upon receipt, the Human Services Department will ensure submission of all insurance documentation to the Risk Management Division, Kitsap County Department of Administrative Services.

SECTION 4. INDEMNITY

The Agency agrees to defend, indemnify and save harmless the County, its appointed and elected officers and employees from and against any and all liability, loss, costs, damage and expense, including costs and attorney fees in defense thereof because of actions, claims or lawsuits for damages resulting from personal or bodily injury, including death at any time resulting therefrom, sustained or alleged to have been sustained by any person or persons and on account of damage to property, arising or alleged to have arisen directly or indirectly out of or in consequence of the performance of this Agreement, whether such injuries to persons or damage to property is due to the negligence of Agency, its subcontractors, agents, successor, or assigns. This indemnification will also apply to any claims arising out of the Agency's non-compliance with federal regulations, as required under this Agreement. This provision shall be inapplicable to the extent the County is judicially found solely negligent for such damage or injury.

Solely for the purposes of this provision, Agency waives its immunity under Title 51 (Industrial Insurance) of the Revised Code of Washington and acknowledges that this waiver was mutually negotiated by the parties.

SECTION 5. NOTICES

Any notices required to be given by the County to the Agency or by the Agency to the County shall be in writing and delivered to the following parties at the following addresses:

County:

Kitsap County Dept. of Human Services
Block Grant Program
614 Division Street MS-23
Port Orchard, WA 98366

Agency:

Arber Metuku
Kitsap Community Resources
845 8th Street
Bremerton, WA 98337

SECTION 6. CITIZEN PARTICIPATION

The Agency will implement the provisions of this Agreement in such a manner as not to impede the attainment of widespread citizen participation in planning and carrying out the project.

SECTION 7. ASSIGNMENT AND SUBCONTRACTING

The Agency shall not assign or subcontract any portion of the services provided within the terms of this Agreement without obtaining prior written approval from the County. All terms and conditions of this Agreement shall apply to any approved subcontract or assignment related to the Agreement.

SECTION 8. RESERVATION OF RIGHTS

Failure to insist upon strict compliance with any terms, covenants or conditions of this Agreement shall not be deemed a waiver of such, nor shall any waiver or relinquishment of such right or power at any time be taken to be a waiver of any other breach.

SECTION 9. AMENDMENTS TO AGREEMENT

The parties hereby further agree that this Agreement cannot be amended or modified without the written concurrence of both parties.

SECTION 10. FAILURE TO PERFORM

In the event of a failure by the Agency to comply with any terms or conditions of this Agreement or to provide in any manner the activities or other performance as agreed to herein, the County reserves the right to temporarily withhold all or any part of payment pending correction of the deficiency, suspend all or part of the Agreement, or prohibit the Agency from incurring additional obligations of funds until the County is satisfied that corrective action has been taken or completed. The option to withhold funds is in addition to, and not in lieu of, the County's right to terminate as provided in Article IV Section 11 of this Agreement. The County may consider performance under this Agreement when considering future awards.

SECTION 11. SUSPENSION AND TERMINATION

If the Agency fails to comply with the terms and conditions of this Agreement, the County may pursue such remedies as are available in accordance with Article IV Section 10 and 24 CFR 570.910, and/or terminate the Agreement under the following terms:

- (A) Termination for Cause - If the Agency fails to comply with the terms and conditions of this Agreement and any of the following conditions exist:
- (1) The lack of compliance with the provisions of this Agreement are of such scope and nature that the County deems continuation of this Agreement to be substantially non-beneficial to the public interest;
 - (2) The Agency has failed to take satisfactory corrective action as directed by the County or its authorized representative within the time specified by same; or
 - (3) The Agency has failed within the time specified by the County or its authorized representative to satisfactorily substantiate its compliance with the terms and conditions of this Agreement;

then the County may terminate this Agreement in whole or in part, and thereupon shall notify in writing the Agency of the termination, the reasons therefore, and the effective date. The effective date shall not be prior to notification of the termination by the County to the Agency. Costs resulting from obligations incurred by the Agency after termination of the Agreement are not allowable unless specifically authorized in writing by the County.

(B) Termination for Convenience

The Agreement may be terminated for convenience, in whole or in part, as follows:

- (1) By the County with the consent of the Agency. The two parties shall agree upon the termination conditions, including the effective date and in the case of partial termination, the portion to be terminated.

(C) Termination for Withdrawal, Reduction or Limitation of Funding

In the event that funding from the Federal government is withdrawn, reduced, or limited in any way after the effective date of this Agreement and prior to its normal completion, the County may summarily terminate this Agreement as to the funds reduced or limited, notwithstanding any other termination provision of this Agreement. If the level of funding so reduced or limited is so great that Kitsap County deems that the continuation of the program covered by the Agreement is no longer in the best interest of the public, the County may summarily terminate this Agreement in whole notwithstanding any other termination provisions of this Agreement. Termination under this Section shall be effective upon receipt of written notice by the Agency or its representative.

(C) Dispute Resolution

The Parties will attempt in good faith to resolve any dispute or claim arising out of or in relation to this Agreement through negotiations between representatives with authority to settle the relevant dispute. If the dispute cannot be settled amicably within fourteen (14) days from the date on which either Party has served written notice on the other of the dispute then the remaining provisions of this Agreement, including remedies for non-compliance and termination shall apply.

SECTION 12. CLOSE-OUT

Upon termination of this Agreement, in whole or in part for any reason including completion of the project, the following provisions shall apply:

- (A) Upon written request by the Agency, the County shall make or arrange for payment to the Agency of allowable reimbursable costs not covered by previous payments;

- (B) The Agency shall submit within thirty (30) days after the date of expiration of this Agreement, all financial, performance and other reports required by this Agreement, and in addition, will cooperate in a program audit by Kitsap County or its designee,
- (C) Closeout of funds will not occur unless all requirements of 2 CFR 200 part D and all outstanding issues with the general contractor and or subcontractor have been resolved to the satisfaction of the County.

SECTION 13. VENUE AND CHOICE OF LAW

Any action at law, suit in equity, or other judicial proceeding for the enforcement of this Agreement or any provisions thereof shall be instituted only in the Superior Court of the State of Washington, County of Kitsap. It is mutually understood and agreed that this Agreement shall be governed by the laws of the State of Washington, both as to interpretation and performance.

SECTION 14. SEVERABILITY CLAUSE

It is understood and agreed by the parties that if any part, term, or provision of this Agreement is held by the courts to be illegal or in conflict with any law of the state where made, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid.

SECTION 15. INTEGRATED DOCUMENT


This Agreement with any attachments constitutes the entire agreement between the parties and both parties acknowledge that there are no other agreements, written or oral, that have not been fully set forth in the text of this Agreement.

Dated this 12th day of December, 2025

Dated this 17th day of December, 2025

SUBRECIPIENT:
Kitsap Community Resources

By:


ANTHONY IVES, Executive Director

KITSAP COUNTY


DOUG WASHBURN, Human Services Director

Kitsap County Face Sheet

For Sub-recipient Contracts Using Federal Awards

CFR 200.332 Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the information provided below. A pass-through entity must provide the best available information when some of the information below is unavailable. A pass-through entity must provide unavailable information when it is obtained. Required information includes: (Fill in)

Subrecipient's unique entity identifier: WYSCRVNX33J8

Federal Award Identification Number (FAIN): B-25-UC-53-0005

Federal Revenue Award Date: Click or tap here to enter text.

Subaward Period of Performance Start and End Date: January 1, 2025 – December 31, 2025

☒ Check to verify the information is in contract:

☒ Subrecipient's name (must match the name associated with its unique entity identifier):

☒ Federal award identification:

☒ Subaward Budget Period Start and End Date:

☒ Amount of Federal Funds Obligated in the subaward:

☒ Amount of Federal Funds Obligated to the sub by the pass-through entity, including the current financial obligation:

☒ Total Amount of the Federal Award committed to the subrecipient by the pass-through entity:

☒ Federal award project description, as required by the Federal Funding Accountability and Transparency Act (FFATA):

☒ Name of the Federal agency, pass-through entity, and contact information for awarding official of the pass-through entity:

☒ Dollar amount made available under each Federal award and the Assistance Listings Number at the time of disbursement:

☒ Indirect cost rate for the Federal award (including if the de minimis rate is used in accordance with § 200.414):

INDEX TO CDBG ECONOMIC DEVELOPMENT MICRO-ENTERPRISE AGREEMENT

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Attachment A – Budget Summary –

Kitsap Community Resources BE\$T (Business Education Support & Training) Program

PROJECT COSTS	Total All Funds	County HOME Funds	Other: Sources of Funds
PERSONNEL, including managers, staff, salaries, benefits and taxes.			
AMOUNT	\$69,800	\$ 18,300	\$ 51,500
SUPPLIES/EQUIPMENT, including office supplies, office equipment if approved.			
AMOUNT	\$ 2,820	\$ 350	\$ 2,470
ADMINISTRATION including occupancy (building & grounds), advertising, audit, insurance/bonds, postage, rent/utilities, communication, training, travel, transportation			
AMOUNT	\$ 10,180	\$ 3,350	\$ 6,830
ACQUISITION COSTS			
AMOUNT	\$	\$	\$
DEVELOPMENT SOFT COSTS including appraisal, design and A&E, processing/settlement and financing, marketing, operating reserve, professional fees and contract services			
AMOUNT	\$	\$	\$
DEVELOPMENT HARD COSTS, including clearance/demolition, construction, rehabilitation and improvements.			
AMOUNT	\$	\$	\$
OTHER COSTS, as approved including: Spanish Language Services Direct Client Services			
AMOUNT	\$ 54,200	\$ 8,000	\$ 46,200
TOTAL PROJECT COSTS	\$ 137,000	\$ 30,000	\$ 107,000

**ATTACHMENT B
CERTIFICATION REGARDING DEBARMENT,
SUSPENSION, AND OTHER RESPONSIBILITY MATTERS**

Primary Covered Transactions 24 CFR PART 24

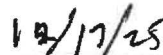
1. The Agency certifies to the best of its knowledge and belief, that it and its principles:
 - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;
 - b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connections with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement, or receiving stolen property;
 - c. Are not presently indicted for or otherwise criminally or civilly charges by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph 1.b. of this certification; and
 - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
2. Where the Agency is unable to certify to any of the statements in this certification, such Agency shall attach an explanation to this proposal.

This Certification is executed by the person(s) signing below who warrant they have authority to execute this Certification.

AGENCY: Kitsap Community Resources



Anthony Ives, Executive Director



Date

**ATTACHMENT C
CERTIFICATION REGARDING LOBBYING**

The undersigned certifies, to the best of his or her knowledge and beliefs, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

AGENCY: Kitsap Community Resources



Anthony Ives, Executive Director

12/17/25

Date



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

01/30/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Brown & Brown Insurance Services, Inc. 2106 Pacific Ave, Ste 501 Tacoma WA 98402	CONTACT NAME: Deana McIntyre PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS: Deana.McIntyre@bbrown.com INSURER(S) AFFORDING COVERAGE INSURER A: Philadelphia Indemnity Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	NAIC # 18058
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COVERAGES	CERTIFICATE NUMBER:	REVISION NUMBER:
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THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC OTHER:	Y		PHPK2648381-008	01/27/2025	01/27/2026	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 0 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK2648381-008	01/27/2025	01/27/2026	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB DED <input checked="" type="checkbox"/> RETENTION \$ 10,000 OCCUR CLAIMS-MADE			PHUB898205-021	01/27/2025	01/27/2026	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input type="checkbox"/> N/A		N/A	PHPK2648381-008 (Stop Gap)	01/27/2025	01/27/2026	PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> Employer's Liability E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Director's & Officer's Liability Crime			PHSD1844736 / PHPK2648381	01/27/2025	01/27/2026	Directors & Officers 2,000,000 Employee Theft 500,000

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

RE: CDBG Home Manette Housing Project
Kitsap County is additional insured, as written in the contract, per attached policy form PI-GLD-HS 1011.

CERTIFICATE HOLDER**CANCELLATION**

Kitsap County 345 6th St., Ste. 400 Bremerton WA 98337	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Deana M. McIntyre</i>
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Additional Named Insureds

Other Named Insureds

KCR Cares LLC	Insured Multiple Names
KCR Community Services LLC	Insured Multiple Names
Kitsap Community Resources 401k Plan	Insured Multiple Names

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**GENERAL LIABILITY DELUXE ENDORSEMENT:
HUMAN SERVICES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE

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

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

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

A. Extended Property Damage

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

LIABILITY, Subsection **2. Exclusions**, Paragraph **a.** is deleted in its entirety and replaced by the following:

a. Expected or Intended Injury

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

B. Limited Rental Lease Agreement Contractual Liability

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

LIABILITY, Subsection **2. Exclusions**, Paragraph **b. Contractual Liability** is amended to include the following:

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

C. Non-Owned Watercraft

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

LIABILITY, Subsection **2. Exclusions**, Paragraph **g. (2)** is deleted in its entirety and replaced by the following:

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

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

D. Damage to Property You Own, Rent or Occupy

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

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

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

E. Damage to Premises Rented to You

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

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

Exclusions **c.** through **n.** do not apply to damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **SECTION III – LIMITS OF INSURANCE**.

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

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

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

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

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

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

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

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

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

F. HIPAA

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

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

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

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

This insurance does not apply to:

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

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

- b. **Criminal Acts**

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

- c. **Other Remedies**

Any remedy other than monetary damages for penalties assessed.

- d. **Compliance Reviews or Audits**

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

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

- a. "Civil proceeding" means an action by the Department of Health and Human Services (HHS) arising out of "violations."
- b. "Investigation" means an examination of an actual or alleged "violation(s)" by HHS. However, "investigation" does not include a Compliance Review.
- c. "Violation" means the actual or alleged failure to comply with the regulations included in the HIPAA.

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

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

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

H. Athletic Activities

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

e. Athletic Activities

To a person injured while taking part in athletics.

I. Supplementary Payments

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

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

J. Employee Indemnification Defense Coverage

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

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

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

K. Key and Lock Replacement – Janitorial Services Client Coverage

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

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

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

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

a. "Client" means an individual, company or organization with whom you have a written contract or work order for your services for a described premises and have billed for your services.

b. "Employee" means:

(1) Any natural person:

(a) While in your service or for 30 days after termination of service;

(b) Who you compensate directly by salary, wages or commissions; and

(c) Who you have the right to direct and control while performing services for you; or

(2) Any natural person who is furnished temporarily to you:

(a) To substitute for a permanent "employee" as defined in Paragraph **(1)** above, who is on leave; or

(b) To meet seasonal or short-term workload conditions;

while that person is subject to your direction and control and performing services for you.

(3) "Employee" does not mean:

(a) Any agent, broker, person leased to you by a labor leasing firm, factor, commission merchant, consignee, independent contractor or representative of the same general character; or

(b) Any "manager," director or trustee except while performing acts coming within the scope of the usual duties of an "employee."

c. "Manager" means a person serving in a directorial capacity for a limited liability company.

L. Additional Insureds

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

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

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

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

2. Each of the following is also an insured:

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

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

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

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

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

(1) Their financial control of you; or

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

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

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

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

This insurance does not apply to:

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

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

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

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

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

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

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

- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (i) The exceptions contained in Sub-paragraphs (d) or (f); or
 - (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
- (2) This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing.
- j. **Franchisor** – Any person or organization with respect to their liability as the grantor of a franchise to you.
- k. **As Required by Contract** – Any person or organization where required by a written contract executed prior to the occurrence of a loss. Such person or organization is an additional insured for "bodily injury," "property damage" or "personal and advertising injury" but only for liability arising out of the negligence of the named insured. The limits of insurance applicable to these additional insureds are the lesser of the policy limits or those limits specified in a contract or agreement. These limits are included within and not in addition to the limits of insurance shown in the Declarations
- l. **Owners, Lessees or Contractors** – Any person or organization, but only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by:
 - (1) Your acts or omissions; or
 - (2) The acts or omissions of those acting on your behalf;
 in the performance of your ongoing operations for the additional insured when required by a contract.

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

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

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

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

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

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

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

a. is amended to include:

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

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

b. is amended to include:

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

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

N. Unintentional Failure To Disclose Hazards

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

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

O. Transfer of Rights of Recovery Against Others To Us

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

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

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

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

P. Liberalization

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

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

Q. Bodily Injury – Mental Anguish

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

"Bodily injury" means:

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

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

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

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

- b. Malicious prosecution or abuse of process;

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

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

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

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**COMMERCIAL AUTOMOBILE ELITE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE PART

Following is a summary of the Limits of Insurance and additional coverages provided by this endorsement. For complete details on specific coverages, consult the policy contract wording.

Coverage Applicable	Limit of Insurance	Page #
Who is An Insured		2
Board Members	Included	
Newly Acquired Entities	Included	
Designated Insured	Included	
Lessor of Leased Autos	Included	
Cost of Bail Bonds	\$5,000	2
Reasonable Expenses – Loss of Earnings	\$500 per day	2
Fellow Employee Coverage	Amended	3
Towing	\$100 per disablement	3
Glass Breakage (Windshields and Windows)	No deductible applies	3
Transportation Expenses	\$100 per day / \$3,000 maximum	3
Hired Auto Physical Damage – Loss of Use	\$100 per day / \$1,000 maximum	3
Hired Auto Physical Damage	ACV or repair or replacement of the vehicle whichever is less	4
Personal Effects	\$500	4
Rental Reimbursement	\$100 per day / 30 days	4
Accidental Discharge – Air Bag	Amended	4
Electronic Equipment	\$1000	5
Original Equipment Manufacturer Parts Replacement	Included	5
Auto Loan / Lease Gap Coverage	Amended	5
One Comprehensive Coverage Deductible Per Occurrence	Amended	6
Notice of and Knowledge of Occurrence	Amended	7
Blanket Waiver of Subrogation	Amended (as required by written contract)	7
Unintentional Errors or Omissions	Amended	7
Mental Anguish – Bodily Injury Redefined	Amended	7

Coverage extensions under this endorsement only apply in the event that no other specific coverage for these extensions is provided under this policy. If such specific coverage applies, the terms, conditions and limits of that coverage are the sole and exclusive coverage applicable under this policy, unless otherwise noted in this endorsement.

Any deductible listed in the Auto Declarations Page will apply unless specific deductible provisions are set forth under a coverage enhancement below.

I. LIABILITY COVERAGE EXTENSIONS

A. Who Is An Insured

SECTION II – LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured is amended by adding the following:

The following are also "insureds":

1. **Board Members** – Board members (or their spouses) while renting a vehicle while on business for the named insured.
2. **Newly Acquired Entities** – Any business entity newly acquired or formed by you during the policy period, provided you own 50% or more of the business entity and the business entity is not separately insured for Business Auto Coverage. Coverage is extended up to a maximum of 180 days following the acquisition or the formation of the business entity.
3. **Designated Insured** – Any person or organization designated by the "insured" is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in **SECTION II** of the Coverage Form.
4. **Lessor of Leased Autos** – The lessor of a "leased auto" is an "insured" only for "bodily injury" or "property damage" resulting from the acts or omissions by:
 - a. You;
 - b. Any of your "employees" or agents; or
 - c. Any person, except the lessor or any "employee" or agent of the lessor, operating a "leased auto" with the permission of any of the above.

Any "leased auto" in the policy schedule will be considered a covered "auto" you own and not a covered "auto" you hire or borrow.

The coverages provided under this endorsement apply to any "leased auto" in the policy schedule until the expiration date of the lease, or when the lessor or his or her agent takes possession of the "leased auto," whichever occurs first.

"Leased auto" means an "auto" leased or rented to you, including any substitute, replacement or extra "auto" needed to meet seasonal or other needs, under a leasing or rental agreement that requires you to provide direct primary insurance for the lessor.

B. Cost of Bail Bonds

SECTION II – LIABILITY COVERAGE, A. Coverage, 2. Coverage Extensions, a. Supplementary Payments, Item (2) is deleted in its entirety and replaced with the following:

- (2) Up to \$5,000 for 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.

C. Reasonable Expenses

SECTION II – LIABILITY COVERAGE, A. Coverage, 2. Coverage Extensions, a. Supplementary Payments, Item (4) is deleted in its entirety and replaced with the following:

- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

D. Fellow Employee Coverage

SECTION II – LIABILITY COVERAGE, B. Exclusions, 5. Fellow Employee is deleted in its entirety and replaced by the following:

"Bodily injury" to 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.

However, this exclusion does not apply to any manager or officer of your company.

II. PHYSICAL DAMAGE COVERAGE EXTENSIONS

A. Towing

SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 2. Towing is deleted in its entirety and replaced with the following:

2. Towing

We will pay up to \$100 for towing and labor costs incurred each time a covered "auto" is disabled. However, the labor must be performed at the place of disablement. No deductible applies to this enhancement.

B. Glass Breakage

SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 3. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles is amended by adding the following:

No deductible applies to "loss" to glass used in the windshield or windows.

C. Transportation Expenses

SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions, a. Transportation Expenses is deleted in its entirety and replaced with the following:

a. Transportation Expenses

We will pay up to \$100 per day to a maximum of \$3,000 for temporary transportation expenses incurred by you because of a "loss" to a covered "auto." We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the "loss" and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss."

D. Hired Auto Physical Damage – Loss of Use

The last sentence of **SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions, b. Loss of Use Expenses** is deleted in its entirety and replaced with the following:

However, the most we will pay for any expenses for loss of use is \$100 per day, to a maximum of \$1,000.

E. Hired Auto Physical Damage

SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions is amended by adding the following extension:

Hired Auto Physical Damage

Any "auto" you lease, hire, rent or borrow from someone other than your "employees" or partners, or members of their household is a covered "auto" for each of your physical damage coverages.

The most we will pay for any "loss" in any one "accident" is the ACV or the cost for repair or replacement of the vehicle, whichever is less.

For each covered "auto" our obligation to pay will be reduced by a deductible of \$500 for Comprehensive Coverage and \$1000 for Collision Coverage.

F. Personal Effects Coverage

SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions is amended by adding the following extension:

Personal Effects Coverage

We will pay up to \$500 for "loss" to personal effects, which are:

1. Owned by an "insured"; and
2. In or on your covered "auto."

This coverage applies only in the event of the total theft of your covered "auto." No deductible applies to this coverage.

G. Rental Reimbursement

SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions is amended by adding the following extension:

Rental Reimbursement Coverage

We will pay up to \$100 per day, for up to 30 days, for rental reimbursement expenses incurred by you for the rental of an "auto" because of "loss" to a covered "auto."

We will also pay up to \$300 for reasonable and necessary expenses incurred by you to remove and replace your materials and equipment from the covered "auto."

If "loss" results from the total theft of a covered "auto," we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided under Item III. **C. Transportation Expenses** of this endorsement.

H. Accidental Discharge – Airbag Coverage

SECTION III – PHYSICAL DAMAGE COVERAGE, B. Exclusions, Paragraph 3. is amended by adding the following exception:

This exclusion does not apply to the accidental discharge of an airbag. This coverage is excess of any other collectible insurance or warranty. No deductible applies to this coverage.

I. Electronic Equipment Coverage

The following supersedes anything to the contrary in **SECTION III – PHYSICAL DAMAGE COVERAGE, B. Exclusions**, Paragraph 4.

Exclusions 4.c. and 4.d. do not apply to:

Any risk management or monitoring equipment and electronic equipment that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound. This coverage applies only if the equipment is permanently installed in the covered "auto" at the time of the "loss" or the equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss," and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto."

The most we will pay for all "loss" to risk management or monitoring equipment, audio, visual or data electronic equipment that is not designed solely for the reproduction of sound and any accessories used with this equipment as a result of any one "accident" is the least of:

- a. The actual cash value of the damaged or stolen property at the time of the "loss";
- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
- c. \$1,000.

This coverage will not apply if there is other insurance provided by this policy for the above-described electronic equipment. We will, however, pay any deductible, up to \$500, that is applicable under the provisions of the other insurance.

J. Original Equipment Manufacturer (OEM) Parts Replacement

SECTION III – PHYSICAL DAMAGE COVERAGE, C. Limit of Insurance, Paragraph 1. is amended to include:

However, if the covered "auto" has less than 20,000 miles on its odometer, then the following condition will apply:

We will pay the cost to replace the damaged parts (excluding glass and mechanical parts) with new Original Equipment Manufacturer replacement parts if the damaged parts cannot be repaired.

K. Auto Loan / Lease Gap Protection

SECTION III – PHYSICAL DAMAGE COVERAGE, C. Limit of Insurance is amended to include the following:

- 4. In the event of "loss" to a covered "auto" that is loaned or leased to an "insured":
 - a. The most we will pay for "loss" in any one "accident" is the lesser of:

- (1) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
 - (2) The cost of repairing or replacing the damaged or stolen property with other property of like, kind and quality.
- b. Our Limit of Insurance for "total loss" will be the greater of:
- (1) The balance due under the terms of the lease or loan, to which your "auto" is subject but not including:
 - (a) Past due payments;
 - (b) Financial penalties imposed under the lease;
 - (c) Security deposits not refunded;
 - (d) Costs for extended warranties or insurance; or
 - (e) Final payment due under a "balloon loan"; or
 - (2) Actual cash value of the stolen or damaged property.

An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of "loss."

c. Additional Definitions

- (1) "Total loss" for the purpose of this coverage, means a loss in which the estimated cost of repairs, plus the salvage value, exceeds the actual cash value.
- (2) "Balloon loan" is one with periodic payments that are insufficient to repay the balance over the term of the loan, thereby requiring a large final payment.

d. Additional Conditions

This coverage will apply only to the original lease or loan written on your covered "auto." In order for this coverage to apply, leased "autos" must be leased or rented to you under a leasing or rental agreement, for a period of not less than six months, which requires you to provide direct primary insurance for the benefit of the lessor.

L. One Comprehensive Coverage Deductible

SECTION III – PHYSICAL DAMAGE COVERAGE, D. Deductible is amended by adding the following:

Only one Comprehensive Coverage Deductible per occurrence will apply to any "loss" resulting from a covered peril.

For the purpose of this extension, occurrence means a single incident, including continuous or repeated exposure to substantially the same general harmful conditions within a 24-hour period.

III. BUSINESS AUTO CONDITIONS

A. Notice and Knowledge of Occurrence

SECTION IV – BUSINESS AUTO CONDITIONS, A. Loss Conditions, 2. Duties In The Event Of Accident, Claim, Suit Or Loss, Paragraph a. is deleted in its entirety and replaced with the following:

- a. In the event of “accident,” claim, “suit” or “loss,” you must give us, or our authorized representative, prompt notice of the “accident” or “loss.” Include:

- (1) How, when and where the “accident” or “loss” occurred;
- (2) The “insured’s” name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

Your duty to give us or our authorized representative prompt notice of the “accident” or “loss” applies only when the “accident” or “loss” is known to:

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

B. Blanket Waiver Of Subrogation

SECTION IV – BUSINESS AUTO CONDITIONS, A. Loss Conditions, 5. Transfer Of Rights Of Recovery Against Others To Us, is amended by adding the following exception:

However, we waive any right of recovery we may have against any person or organization because of payments we make for “bodily injury” or “property damage” arising out of the operation of a covered “auto” when you have assumed liability for such “bodily injury” or “property damage” under an “insured contract.”

C. Unintentional Errors or Omissions

SECTION IV – BUSINESS AUTO CONDITIONS, B. General Conditions, 2. Concealment, Misrepresentation, Or Fraud is amended by adding the following:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

IV. DEFINITIONS

A. Mental Anguish

SECTION V – DEFINITIONS, C. “Bodily injury” is amended by adding the following:

“Bodily injury” also includes mental anguish but only when the mental anguish arises from other bodily injury, sickness, or disease.



KITSAP COMMUNITY RESOURCES

Unique Entity ID WYSCRVN33J8	CAGE / NCAGE 5RU67	Purpose of Registration All Awards
Registration Status Active Registration	Expiration Date Feb 12, 2026	
Physical Address 845 8TH ST Bremerton, Washington 98337-1517 United States	Mailing Address 845 8TH Street Bremerton, Washington 98337-1517 United States	

Business Information

Doing Business as (blank)	Division Name Kitsap Community Resources	Division Number 1
Congressional District Washington 06	State / Country of Incorporation Washington / United States	URL (blank)

Registration Dates

Activation Date Feb 19, 2025	Submission Date Feb 12, 2025	Initial Registration Date Oct 21, 2009
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Entity Dates

Entity Start Date Jul 1, 1965	Fiscal Year End Close Date Dec 31
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Immediate Owner

CAGE (blank)	Legal Business Name (blank)
------------------------	---------------------------------------

Highest Level Owner

CAGE (blank)	Legal Business Name (blank)
------------------------	---------------------------------------

Executive Compensation

Registrants in the System for Award Management (SAM) respond to the Executive Compensation questions in accordance with Section 6202 of P.L. 110-252, amending the Federal Funding Accountability and Transparency Act (P.L. 109-282). This information is not displayed in SAM. It is sent to USAspending.gov for display in association with an eligible award. Maintaining an active registration in SAM demonstrates the registrant responded to the questions.

Proceedings Questions

Registrants in the System for Award Management (SAM.gov) respond to proceedings questions in accordance with FAR 52.209-7, FAR 52.209-9, or 2. C.F.R. 200 Appendix XII. Their responses are displayed in the responsibility/qualification section of SAM.gov. Maintaining an active registration in SAM.gov demonstrates the registrant responded to the proceedings questions.

Exclusion Summary

Active Exclusions Records?

No

SAM Search Authorization

I authorize my entity's non-sensitive information to be displayed in SAM public search results:

Yes

Entity Types

Business Types

Entity Structure Corporate Entity (Tax Exempt)	Entity Type Business or Organization	Organization Factors (blank)
Profit Structure Non-Profit Organization		

Socio-Economic Types

Check the registrant's Reps & Certs, if present, under FAR 52.212-3 or FAR 52.219-1 to determine if the entity is an SBA-certified HUBZone small business concern. Additional small business information may be found in the SBA's Dynamic Small Business Search if the entity completed the SBA supplemental pages during registration.

Financial Information

Accepts Credit Card Payments
Yes

Debt Subject To Offset
No

EFT Indicator
0000

CAGE Code
5RU67

Points of Contact**Electronic Business**

IRMGARD Davis, Chief Financial Officer

845 8TH Street
Bremerton, Washington 98337
United States

John Hurley, Deputy Director

845 8TH Street
Bremerton, Washington 98337
United States

Government Business

Anthony Ives, Chief Executive Officer

845 8TH Street
Bremerton, Washington 98337
United States

IRMGARD Davis, Fiscal Officer

845 8TH Street
Bremerton, Washington 98337
United States

Service Classifications**NAICS Codes**

Primary
Yes

NAICS Codes
813410

NAICS Title
Civic And Social Organizations

Disaster Response

This entity does not appear in the disaster response registry.