

**SERVICE AGREEMENT BETWEEN
THE CITY OF HUNTINGTON BEACH AND
MERRIMAC PETROLEUM INC. dba MERRIMAC ENERGY GROUP
FOR
BULK FUEL SERVICES – GASOLINE AND DIESEL**

THIS AGREEMENT ("Agreement") is made and entered into by and between the City of Huntington Beach a municipal corporation of the State of California, hereinafter called "City," and MERRIMAC PETROLEUM INC. dba MERRIMAC ENERGY GROUP, a CALIFORNIA CORPORATION, hereinafter referred to as "Contractor."

Recitals

- A. The City desires to retain a Contractor having special skill and knowledge in the field of PROCUREMENT, SUPPLY, AND DELIVERY OF BULK GASOLINE AND DIESEL FUELS.
- B. Contractor represents that Contractor is able and willing to provide such services to the City.
- C. In undertaking the performance of this Agreement, Contractor represents that it is knowledgeable in its field and that any services performed by Contractor under this Agreement will be performed in compliance with such standards as may reasonably be expected from a comparable company or firm in the field.

Contractor has been selected to perform these services pursuant to Huntington Beach Municipal Code Chapter 3.02,

NOW, THEREFORE, it is agreed by City and Contractor as follows:

1. Scope of Services

Contractor shall provide all services as described in Exhibit "A," which is attached hereto and incorporated into this Agreement by this reference. These services shall sometimes hereinafter be referred to as the "Project."

Contractor hereby designates BRUCE MAINOR who shall represent it and be its sole contact and agent in all consultations with City during the performance of this Agreement.

2. City Staff Assistance

City shall assign a staff coordinator to work directly with Contractor in the performance of this Agreement.

3. Compensation

a. City agrees to pay, and Contractor agrees to accept as total payment for its services, the rates and charges identified in Exhibit A. The total sum to be expended under this Agreement, shall not exceed \$1,500,000 (one million five hundred thousand dollars) annually during the term of this Agreement.

b. Payment by City shall be made within thirty (30) days following receipt of proper invoice evidencing work performed, subject to City accounting procedures. Payment need not be made for work which fails to meet the standards of performance set forth in the Recitals which may reasonably be expected by City.

4. Term

Time is of the essence of this Agreement. The services of Contractor are to commence FEBRUARY 1, 2019 or as soon as practicable after the execution of this Agreement by City (the "Commencement Date") and terminate JANUARY 31, 2022, unless terminated earlier in accordance with the provisions of this Agreement. Contract may be extended for two (2) additional one year periods if mutually agreed to in writing by both parties. The time for performance of the tasks identified in Exhibit "A" are generally to be shown in Exhibit "A." This schedule and Term may be amended to benefit the Project if mutually agreed to in writing by City and Contractor.

In the event the Commencement Date precedes the Effective Date, Contractor shall be bound by all terms and conditions as provided herein.

5. Extra Work

In the event City requires additional services not included in Exhibit "A" or changes in the scope of services described in Exhibit "A," Contractor will undertake such work only after receiving written authorization from City. Additional compensation for such extra work shall be allowed only if the prior written approval of City is obtained.

6. Disposition of Plans, Estimates and Other Documents

Contractor agrees that title to all materials prepared hereunder, including, without limitation, all original drawings, designs, reports, both field and office notices, calculations computer code, language, data or programs, maps, memoranda, letters and other documents, shall belong to City, and Contractor shall turn these materials over to City upon expiration or termination of this Agreement or upon Project completion, whichever shall occur first. These materials may be used by City as it sees fit.

7. Hold Harmless

Contractor hereby agrees to protect, defend, indemnify and hold harmless City, its officers, elected or appointed officials, employees, agents, and volunteers from and against any and all, claims, damages, losses, expenses, judgments, demands and defense costs, and consequential damage or liability of any kind or nature, however caused, including those resulting from death or

out of the obligations or operations herein undertaken by Contractor, caused in whole or in part by any negligent act or omission of the Contractor, any subcontractors, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, including but not limited to concurrent active or passive negligence, except where caused by the active negligence, sole negligence, or willful misconduct of the City. Contractor will conduct all defense at its sole cost and expense and City shall approve selection of Contractor's counsel. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Contractor.

8. Workers Compensation Insurance

Pursuant to California Labor Code Section 1861, Contractor acknowledges awareness of Section 3700 *et seq.* of this Code, which requires every employer to be insured against liability for workers' compensation; Contractor covenants that it will comply with such provisions prior to commencing performance of the work hereunder.

Contractor shall obtain and furnish to City workers' compensation and employer's liability insurance in an amount of not less than the State statutory limits.

Contractor shall require all subcontractors to provide such workers' compensation and employer's liability insurance for all of the subcontractors' employees. Contractor shall furnish to City a certificate of waiver of subrogation under the terms of the workers' compensation and employer's liability insurance and Contractor shall similarly require all subcontractors to waive subrogation.

9. General Liability Insurance

In addition to the workers' compensation and employer's liability insurance and Contractor's covenant to defend, hold harmless and indemnify City, Contractor shall obtain and furnish to City, a policy of general public liability insurance, including motor vehicle coverage covering the Project/Service. This policy shall indemnify Contractor, its officers, employees and agents while acting within the scope of their duties, against any and all claims arising out or in connection with the Project/Service, and shall provide coverage in not less than the following amount: combined single limit bodily injury and property damage, including products/completed operations liability and blanket contractual liability, of One Million Dollars (\$1,000,000) per occurrence. If coverage is provided under a form which includes a designated general aggregate limit, the aggregate limit must be no less than One Million Dollars (\$1,000,000) for this Project/Service. This policy shall name City, its officers, elected or appointed officials, employees, agents, and volunteers as Additional Insureds, and shall specifically provide that any other insurance coverage which may be applicable to the Project/Service shall be deemed excess coverage and that Contractor's insurance shall be primary.

Under no circumstances shall said above-mentioned insurance contain a self-insured retention, or a "deductible" or any other similar form of limitation on the required coverage.

10. Automobile Liability Insurance

Contractor shall obtain and furnish to City an automotive liability insurance policy covering the work performed by it hereunder. This policy shall provide coverage for Contractor's automotive liability in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence and a separate "Additional Insured Endorsement" page listing both the policy number and naming the "*City of Huntington Beach, its officers, elected or appointed officials, employees, agents and volunteers*" as additional insured on the endorsement. The above-mentioned insurance shall not contain a self-insured retention, "deductible" or any other similar form of limitation on the required coverage except with the express written consent of City.

11. Certificate of Insurance

Prior to commencing performance of the work hereunder, Contractor shall furnish to City a certificate of insurance subject to approval of the City Attorney evidencing the foregoing insurance coverage as required by this Agreement; the certificate shall:

- a. provide the name and policy number of each carrier and policy;
- b. state that the policy is currently in force; and
- c. promise that such policy shall not be suspended, voided or canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice; however, ten (10) days' prior written notice in the event of cancellation for nonpayment of premium.

Contractor shall maintain the foregoing insurance coverage in force until the work under this Agreement is fully completed and accepted by City.

The requirement for carrying the foregoing insurance coverage shall not derogate from Contractor's defense, hold harmless and indemnification obligations as set forth in this Agreement. City or its representative shall at all times have the right to demand the original or a copy of the policy of insurance. Contractor shall pay, in a prompt and timely manner, the premiums on the insurance hereinabove required.

12. Independent Contractor

Contractor is, and shall be, acting at all times in the performance of this Agreement as an independent contractor herein and not as an employee of City. Contractor shall secure at its own cost and expense, and be responsible for any and all payment of all taxes, social security, state disability insurance compensation, unemployment compensation and other payroll deductions for Contractor and its officers, agents and employees and all business licenses, if any, in connection with the Project and/or the services to be performed hereunder.

13. Conflict of Interest

Contractor covenants that it presently has no interests and shall not have interests, direct or indirect, which would conflict in any manner with performance of services specified under this Agreement.

14. Termination

This Agreement may be terminated by the City upon thirty (30) days written notice of termination. In such event, Contractor shall be entitled to receive and the City shall pay Contractor compensation for all services performed by Contractor prior to receipt of such notice of termination, subject to the following conditions:

a. As a condition of such payment, the Director may require Contractor to deliver to the City all work product completed as of such date, and in such case such work product shall be the property of the City unless prohibited by law, and Contractor consents to the City's use thereof for such purposes as the City deems appropriate.

b. Payment need not be made for work which fails to meet the standard of performance specified in the Recitals of this Agreement.

15. Exclusivity and Amendment

This Agreement represents the complete and exclusive statement between the City and Contractor, and supersedes any and all other agreements, oral or written, between the parties. In the event of a conflict between the terms of this Agreement and any attachments hereto, the terms of this Agreement shall prevail. This Agreement may not be modified except by written instrument signed by the City and by an authorized representative of Contractor. The parties agree that any terms or conditions of any purchase order or other instrument that are inconsistent with, or in addition to, the terms and conditions hereof, shall not bind or obligate Contractor or the City. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein.

16. Assignment

Inasmuch as this Agreement is intended to secure the specialized services of Contractor, Contractor may not assign, transfer, delegate, or subcontract any interest herein without the prior written consent of the City and any such assignment, transfer, delegation or subcontract without the City's prior written consent shall be considered null and void. Nothing in this Agreement shall be construed to limit the City's ability to have any of the services which are the subject to this Agreement performed by City personnel or by other Contractors retained by City.

17. City Employees and Officials

Contractor shall employ no City official nor any regular City employee in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement in violation of the applicable provisions of the California Government Code.

18. Notices

Any notices, certificates, or other communications hereunder shall be given either by personal delivery to Contractor's agent (as designated in Section 1 hereinabove) or to City as the

situation shall warrant, or by enclosing the same in a sealed envelope, postage prepaid, and depositing the same in the United States Postal Service, to the addresses below. City and Contractor may designate different addresses to which subsequent notices, certificates or other communications will be sent by notifying the other party via personal delivery, a reputable overnight carrier or U.S. certified U.S. certified mail-return receipt requested:

To City:

City of Huntington Beach
Attn: General Services Manager
2000 Main Street
Huntington Beach, CA 92648

To Contractor:

Merrimac Energy Group
Attn: Bruce Mainor
3738 Bayer Ave., #204
Long Beach, CA 90808
800-900-4081

19. Consent

When City's consent/approval is required under this Agreement, its consent/approval for one transaction or event shall not be deemed to be a consent/approval to any subsequent occurrence of the same or any other transactions or event.

20. Modification

No waiver or modification of any language in this Agreement shall be valid unless in writing and duly executed by both parties.

21. Section Headings

The titles, captions, section, paragraph and subject headings, and descriptive phrases at the beginning of the various sections in this Agreement are merely descriptive and are included solely for convenience of reference only and are not representative of matters included or excluded from such provisions, and do not interpret, define, limit or describe, or construe the intent of the parties or affect the construction or interpretation of any provision of this Agreement.

22. Interpretation of this Agreement

The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. If any provision of this Agreement is held by an arbitrator or court of competent jurisdiction to be unenforceable, void, illegal or invalid, such holding shall not invalidate or affect the remaining covenants and provisions of this Agreement. No covenant or provision shall be deemed dependent upon any other unless so expressly provided here. As used in this Agreement, the masculine or neuter gender and singular or plural number shall be deemed to include the other whenever the context so indicates or requires. Nothing contained herein shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provision contained herein and any present or future statute, law, ordinance or regulation contrary to which the parties have no right to contract, then the latter shall prevail, and the provision of this Agreement which is hereby affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law.

23. Duplicate Original

The original of this Agreement and one or more copies hereto have been prepared and signed in counterparts as duplicate originals, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original. Each duplicate original shall be deemed an original instrument as against any party who has signed it.

24. Immigration

Contractor shall be responsible for full compliance with the immigration and naturalization laws of the United States and shall, in particular, comply with the provisions of the United States Code regarding employment verification.

25. Legal Services Subcontracting Prohibited

Contractor and City agree that City is not liable for payment of any subcontractor work involving legal services, and that such legal services are expressly outside the scope of services contemplated hereunder. Contractor understands that pursuant to *Huntington Beach City Charter* Section 309, the City Attorney is the exclusive legal counsel for City; and City shall not be liable for payment of any legal services expenses incurred by Contractor.

26. Confidentiality

Contractor recognizes that in the performance of its duties under this Agreement, it must conduct its activities in a manner designed to protect information of a sensitive nature from improper use or disclosure. Contractor warrants that it will use reasonable efforts consistent with practices customary in the facilities management industry in recruiting, training and supervising employees and in otherwise performing its duties hereunder in order to achieve this result. In the furtherance of this, Contractor agrees, at the request of the City, to require its employees to execute written undertakings to comply with the foregoing confidentiality provision.

27. Discrimination

Contractor shall not discriminate because of race, color, creed, religion, sex, marital status, sexual orientation, age, national origin, ancestry, or disability, as defined and prohibited by applicable law, in the recruitment, selection, training, utilization, promotion, termination or other employment related activities. Contractor affirms that it is an equal opportunity employer and shall comply with all applicable federal, state and local laws and regulations.

28. Jurisdiction - Venue

This Agreement and all questions relating to its validity, interpretation, performance, and enforcement shall be government and construed in accordance with the laws of the State of California. This Agreement has been executed and delivered in the State of California and the validity, interpretation, performance, and enforcement of any of the clauses of this Agreement shall be determined and governed by the laws of the State of California. Both parties further agree that Orange County, California, shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Agreement.

29. Professional Licenses

Contractor shall, throughout the term of this Agreement, maintain all necessary licenses, permits, approvals, waivers, and exemptions necessary for the provision of the services hereunder and required by the laws and regulations of the United States, the State of California, the City of Huntington Beach and all other governmental agencies. Contractor shall notify the City immediately and in writing of her inability to obtain or maintain such permits, licenses, approvals, waivers, and exemptions. Said inability shall be cause for termination of this Agreement.

30. Attorney's Fees

In the event suit is brought by either party to construe, interpret and/or enforce the terms and/or provisions of this Agreement or to secure the performance hereof, each party shall bear its own attorney's fees, such that the prevailing party shall not be entitled to recover its attorney's fees from the nonprevailing party.

31. Survival

Terms and conditions of this Agreement, which by their sense and context survive the expiration or termination of this Agreement, shall so survive.

32. Governing Law

This Agreement shall be governed and construed in accordance with the laws of the State of California.

33. Signatories

Each undersigned represents and warrants that its signature hereinbelow has the power, authority and right to bind their respective parties to each of the terms of this Agreement, and shall indemnify City fully for any injuries or damages to City in the event that such authority or power is not, in fact, held by the signatory or is withdrawn.

34. Entirety

(a) The parties acknowledge and agree that they are entering into this Agreement freely and voluntarily following extensive arm's length negotiation, and that each has had the opportunity to consult with legal counsel prior to executing this Agreement. The parties also acknowledge and agree that no representations, inducements, promises, agreements or warranties, oral or otherwise, have been made by that party or anyone acting on that party's behalf, which are not embodied in this Agreement, and that that party has not executed this Agreement in reliance on any representation, inducement, promise, agreement warranty, fact or circumstance not expressly set forth in this Agreement.

(b) All Exhibits referenced herein and attached hereto shall be incorporated as if fully set forth in the body of this Agreement.

35. Effective Date

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their authorized officers. This Agreement shall be effective on the date of its approval by the City Attorney. This Agreement shall expire when terminated as provided herein.

CONTRACTOR

Mary Hazlrig
Merrime Energy Group
By: Mary Hazlrig
Mary Hazlrig
print name
ITS: (circle one) Chairman/President/Vice President

CITY OF HUNTINGTON BEACH, a
municipal corporation of the State of
California

Mayor

AND

By: Mary Hazlrig
Mary Hazlrig
print name
ITS: (circle one) Secretary/Chief Financial
Officer/Asst. Secretary - Treasurer

City Clerk

INITIATED AND APPROVED:

[Signature]
Public Works Director

REVIEWED AND APPROVED:

City Manager

APPROVED AS TO FORM:

[Signature]
City Attorney

BULK FUEL: UNLEADED AND DIESEL
EXHIBIT A

Ordering:

Physical inventory for all fuel types is monitored electronically via a Veeder Root Monitoring System. This system monitors stored fuel using the following parameters: content, volume, height, usage, and temperature. The City maintains and calibrates this system annually.

Vendor shall provide bulk fuel delivery on an "as needed" basis.

1. Designated City staff will verify tank levels and provide authorization for fuel order and fuel delivery. Vendor shall not order fuel on City's behalf nor schedule delivery without prior authorization by designated City staff.
2. The authorized fuel order should be fulfilled, delivered, and unloaded at the respective tanks/sites within one (1) working day of order authorization by City.
3. Vendor shall provide to City monthly reports as to quantities, locations and types of fuels delivered including delivery price. Reports will be due by the 15th of each month for the preceding month.
4. Vendor shall provide to City quarterly and annual summary reports as to quantities, locations, and types of fuels delivered including pricing and total cost information.

Delivery:

1. Vendor shall arrange for delivery of all fuel orders and perform all deliveries in a safe and professional manner, adhering to all applicable Federal, State, Local, American Society of Testing & Materials (ASTM), Department of Transportation (DOT), South Coast Air Quality Management District (SCAQMD), and Air Resources Board (ARB) regulations for the handling and supply of unleaded gasoline, diesel, and jet aviation fuels.
2. Deliveries shall be made during City regular business hours of Mon. through Fri., 7:00 a.m. to 4:00 p.m. to each City location as needed within one (1) working day from receipt of order authorization by designated City staff.
3. Up to one-hour of "standing time" shall be allowable at no charge for the purpose of unloading. If the vendor is unable to begin unloading fuel within one hour after the scheduled arrival at a City site due to delays caused by City operations, demurrage charges may be assessed by Vendor. Such charges shall apply in increments of one-quarter (1/4) hours.
4. Vendor shall perform a Veeder Root inventory printout prior to fuel being unloaded into storage tank and shall perform another inventory printout after fuel is unloaded into storage tank. These printouts shall be provided to designated City staff at time of each completed delivery.
5. Vendor shall provide a fuel delivery bill of lading receipt to designated City staff at the time of completed delivery.
6. The Vendor warrants that each carrier/driver utilized by Vendor to deliver fuel to the City of Huntington Beach has the proper operating license, driver safety records, certifications, and insurance required to operate fuel trucks and trailers in accordance with current State, Federal and Local regulations.
7. All delivery carriers/drivers shall be trained and certified in appropriate safety measures and HAZMAT, and equipped to handle the containment, remediation, and proper clean-up of all spills of up to 100 gallons.
8. Vendor shall be responsible for all spillage that may occur during transit, loading or unloading operations.
9. Vendor shall be held financially and legally liable for the complete containment, remediation, and disposal of all hazardous waste spills that may occur during Vendor's fueling operations.
10. The supplier shall immediately report any spillage to designated City staff and clean up the spillage within one working day of the time of spillage, or other time period as specified by City of Huntington Beach.

BULK FUEL: UNLEADED AND DIESEL
EXHIBIT A

11. In the event of a fuel spill, the supplier is required to immediately notify designated City staff at the delivery location, cover all drains in the vicinity, prevent spill from entering storm drains, attempt to contain the spill, and notify City of Huntington Beach Public Works contract liaison.
12. City will supervise any and all fuel spill remediation and disposal of hazardous waste.
13. Vendor shall correct or adjust gasoline fuel deliveries to be stated, billed, and paid for on the basis of said gasoline at sixty (60) degrees Fahrenheit. Corrections shall be made on all bulk deliveries for petroleum measurement tables.
14. Vendor shall provide City with a hazardous waste spill and emergency procedure.

Fuel Quality and Testing:

1. Fuels supplied by Vendor shall meet current fuel industry laws, codes, requirements, standards and guidelines, including South Coast Air Quality Management District (SCAQMD) and American Society of Testing & Materials (ASTM) laws, regulations and standards.
2. Fuels supplied by Vendor shall be free from contamination.
3. City reserves the right to conduct spot check testing for fuel product quality assurance via an independent laboratory.
4. City of Huntington Beach and/or its authorized representative(s) reserves the right to test fuel(s) quality before, during, and after unloading. Should test results show that the fuel(s) contains contamination; the fuel(s) will be rejected.
5. Vendor shall be responsible for the removal of the fuel(s) from City of Huntington Beach property within three working days after requested to do so should test results show that the fuel(s) contains any contaminants. The vendor shall also be responsible for all cleanup required to all City of Huntington Beach property, storage facilities, and equipment as a result of noncompliance with specifications. Furthermore, Vendor shall be fully responsible for any and all costs incurred by City of Huntington Beach for any equipment sustaining damage that is attributed to a contaminated fuel(s) that Vendor has delivered.
6. Any aftermarket additive used shall be identified by brand and/or trade name. The manufacturer's additive specifications shall be provided within seven working days to City of Huntington Beach upon request. An additive, if used, shall comply with Environmental Protection Agency (EPA) regulations, and shall be compatible with the refiner's product.
7. Additives which increase emissions of sulfur and other substances proven to damage the environment and/or which are disallowed by EPA regulations will not be accepted.

Fuel Type and Pricing:

The prices of all fuels shall be adjusted daily reflecting the OPIS unbranded, low daily rack/terminal prices published at approximately 10:00 a.m. Eastern Time, for the "Los Angeles" PADD 5 report.

1. Unleaded fuel shall be CaRFG Ethanol 10%
2. Premium unleaded fuel shall be CaRFG Ethanol 10%
3. Diesel fuel shall be CARFG Ultra Low Sulfur Diesel No. 2

**BULK FUEL: UNLEADED AND DIESEL
EXHIBIT A**

Invoices:

1. Vendor shall submit invoices electronically, as an attachment to email formatted as a .PDF, to designated City staff by close of business 5:00 p.m. on the day following delivery.
2. Invoices will be due net 30 days from invoice date.
3. Payment shall only be made for quantities actually delivered and accepted.
4. Invoices shall be generated one per location delivery; shall detail the date, time, location of delivery; type of fuel delivered; quantity of fuel delivered in gallons; and shall itemize all unit prices, taxes, and fees.
5. The vendor shall submit with each invoice a copy of the delivery bill of lading from the carrier, and a copy of the applicable OPIS price sheet.
6. The City is exempt from Federal Fuel Excise Tax. Invoices shall not assess Federal Fuel Excise Tax to the City and if such charge is shown shall include a credit for same and in the same amount.

Credit Card:

The City may elect, at its discretion, to utilize a Visa or MasterCard branded procurement card and authorize vendor to charge invoices via credit card.

Prices:

1. The City of Huntington Beach is exempt from Federal Fuel Excise Tax. Invoices shall not assess Federal Fuel Excise Tax to the City and if such charge is shown shall include a credit for same and in the same amount.
2. Base fuel cost will always be the OPIS "Los Angeles" PADD 5 report as of 10:00 a.m. Eastern time on the day that the order is placed.
 - a. Regular unleaded gasoline shall be CaRFG Ethanol 10%.
 - b. Premium unleaded gasoline shall be CaRFG Ethanol 10%.
 - c. Diesel fuel shall be CARB Ultra Low Sulfur Diesel No. 2.

UNLEADED GASOLINE

Price shall apply to the low rack/terminal price in the column entitled "Los Angeles", PADD 5, Los Angeles CARFG Ethanol 10.0%, unbranded Low Rack, in the OPIS daily report published approximately 10:00 a.m. Eastern Time Zone.

1. Bulk Purchase Full Truckload (6,000+ gallons)	
Discount per gallon (minus)	PPG: <u>\$0.059</u>
Delivery charge	PPG: <u>\$0.038</u>
2. Bulk Purchase Less Than Full Truckload (2,500 – 5,999 gallons)	
Discount per gallon (minus)	PPG: <u>\$0.049</u>
Delivery charge	PPG: <u>\$0.058</u>
3. Bulk Purchase Less Than Full Truckload (less than 2,500 gallons)	
Discount per gallon (minus)	PPG: <u>\$0.029</u>
Delivery charge	PPG: <u>\$0.093</u>

BULK FUEL: UNLEADED AND DIESEL
EXHIBIT A

PREMIUM UNLEADED GASOLINE

Price shall apply to the low rack/terminal price in the column entitled "Los Angeles", PADD 5, Los Angeles CARFG Ethanol 10.0%, unbranded Low Rack, in the OPIS daily report published approximately 10:00 a.m. Eastern Time Zone.

4. Bulk Purchase Full Truckload (6,000+ gallons)	
Discount per gallon (minus)	PPG: <u>\$0.069</u>
Delivery charge	PPG: <u>\$0.039</u>

5. Bulk Purchase Less Than Full Truckload (2,500 – 5,999 gallons)	
Discount per gallon (minus)	PPG: <u>\$0.049</u>
Delivery charge	PPG: <u>\$0.058</u>

6. Bulk Purchase Less Than Full Truckload (less than 2,500 gallons)	
Discount per gallon (minus)	PPG: <u>\$0.039</u>
Delivery charge	PPG: <u>\$0.093</u>

ULTRA-LOW SULFUR DIESEL FUEL PRICING

Price shall apply to the low rack/terminal price in the column entitled "Los Angeles", PADD 5, Los Angeles CARFG Ultra Low Sulfur Diesel, unbranded Low Rack, in the OPIS daily report published approximately 10:00 a.m. Eastern Time Zone.

7. Bulk Purchase Full Truckload (5,000+ gallons)	
Mark-up per gallon (plus)	PPG: <u>\$0.049</u>
Delivery charge	PPG: <u>\$0.0415</u>

8. Bulk Purchase Less Than Full Truckload (2,500 – 4,999 gallons)	
Mark-up per gallon (plus)	PPG: <u>\$0.055</u>
Delivery charge	PPG: <u>\$0.062</u>

9. Bulk Purchase Less Than Full Truckload (less than 2,500 gallons)	
Mark-up per gallon (plus)	PPG: <u>\$0.089</u>
Delivery charge	PPG: <u>\$0.093</u>

RENEWABLE DIESEL FUEL PRICING

Price shall apply to the low rack/terminal price in the column entitled "Los Angeles", PADD 5, Los Angeles NESTE Renewable Diesel (or relevant successor index appropriate for this fuel type), unbranded Low Rack, in the OPIS daily report published approximately 10:00 a.m. Eastern Time.

10. Bulk Purchase Full Truckload (5,000+ gallons)	
Mark-up per gallon (plus)	PPG: <u>\$0.069</u>
Delivery charge	PPG: <u>\$0.0415</u>

BULK FUEL: UNLEADED AND DIESEL
EXHIBIT A

RENEWABLE DIESEL FUEL PRICING cont'd

11. Bulk Purchase Less Than Full Truckload (2,500 – 4,999 gallons)	
Mark-up per gallon (plus)	PPG: <u>\$0.075</u>
Delivery charge	PPG: <u>\$0.062</u>

12. Bulk Purchase Less Than Full Truckload (less than 2,500 gallons)	
Mark-up per gallon (plus)	PPG: <u>\$0.109</u>
Delivery charge	PPG: <u>\$0.093</u>

DEMURRAGE

14. Demurrage	
Charges per one-(1/4) hour in excess of initial one (1) hour.	<u>\$30.00</u>

OPIS Report

A copy of the daily OPIS Report per fuel type that is published approximately 10:00 a.m. Eastern Time on the order date shall be provided with each fuel delivery invoice. The vendor shall acquire an OPIS subscription in the name of the City of Huntington Beach for diesel and unleaded fuels annually.

15. OPIS Subscription	
Annual Subscription	<u>\$1,716 delivery via email</u>

Credit Card Processing

The City may elect, at its discretion, to utilize a Visa or MasterCard branded procurement card and charge bulk fuel purchases to the credit card.

The City may elect, at its discretion, to utilize a Visa or MasterCard branded procurement card and charge bulk fuel purchases to the credit card.	
16. Credit Card Processing	
Processing Fee (indicate percentage of total charge or flat rate per transaction)	<u>0.0295% of total charge</u>

BULK FUEL: UNLEADED AND DIESEL
EXHIBIT A

FUEL TANK SITES (all sites are underground)

Location	# Tanks	Type of Fuel	Capacity in Gals.
Gothard Fire Station 18311 Gothard Street	1	Unleaded	4,000
	1	Diesel	2,000
Park Tree and Landscape Yard 17581 Gothard Street	1	Unleaded	10,000
	1	Diesel	5,000
Civic Center 2000 Main Street	1	Unleaded	12,000
	1	Diesel	5,000
Beach Maintenance Yard 8669 Edison Way	1	Unleaded	5,000
	1	Diesel	2,000
Utilities Yard aka Water Operations 19001 Huntington Street	1	Unleaded	12,000
	1	Diesel	12,000
Lake Fire Station 530 Lake Street	1	Diesel	4,000
Warner Fire Station 3831 Warner Avenue	1	Premium Unleaded	6,000
	1	Diesel	2,000
CityYard aka Corporation Yard 17371 Gothard Street	1	Unleaded	15,000
	1	Diesel	12,000



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/26/2018

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

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

PRODUCER	Edgewood Partners Insurance Center (EPIC) 19000 MacArthur Blvd. PH Floor Irvine, CA 92612	CONTACT NAME: PHONE (A/C, No, Ext): (949) 263-0606 FAX (A/C, No): (949) 263-0906 E-MAIL: ADDRESS:
www.edgewoodins.com		INSURER(S) AFFORDING COVERAGE
INSURED	Merrimac Petroleum, Inc. dba: Merrimac Energy Group 1240 East Wardlow Road Long Beach CA 90807	INSURER A: Kinsale Insurance Company INSURER B: Ohio Casualty Insurance Company INSURER C: Crum & Forster Specialty Insurance Co INSURER D: INSURER E: INSURER F:
		NAIC # 38920 24074 44520

COVERAGES

CERTIFICATE NUMBER: 46167566

REVISION NUMBER:

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 <input checked="" type="checkbox"/> BI/PD Ded: \$5,000 Per Occ. GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0100052576-1	6/13/2018	6/13/2019	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			BAS (19) 59 12 49 89	9/1/2018	6/13/2019	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB DED <input type="checkbox"/> RETENTION \$	<input checked="" type="checkbox"/>		0100052577-1	6/13/2018	6/13/2019	EACH OCCURRENCE \$2,000,000 AGGREGATE \$2,000,000 \$
	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				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
C	Pollution Liability			CPL-109130		6/13/2019	\$2,000,000 Each Claim Limit \$2,000,000 Aggregate Limit \$10,000 Deductible

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

Re: Bulk Fuel Services - Additional Insured per addendum attached
Certificate holder is additional insured for general liability coverage but only if required by written contract with the named insured prior to an occurrence as per form EGY5001 0817 (includes primary and non-contributory wording) and form CG2037 0704 attached.
General liability waiver of subrogation applies if required by written contract per form CAS4002 0110. Automobile additional insured and waiver of subrogation apply if required by written contract as per form CA8810 0113.

CERTIFICATE HOLDER

CANCELLATION

City of Huntington Beach
PO Box 190
Huntington Beach CA 92648

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

Anthony D'Asaro

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ACORD 25 (2016/03)

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AGENCY CUSTOMER ID: _____

LOC #: _____



ADDITIONAL REMARKS SCHEDULE

Page ____ of ____

AGENCY Edgewood Partners Insurance Center (EPIC)		NAMED INSURED Merrimac Petroleum, Inc. dba: Merrimac Energy Group 1240 East Wardlow Road Long Beach CA 90807
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 FORM TITLE: Certificate of Liability (03/16)

HOLDER: City of Huntington Beach

ADDRESS: PO Box 190 Huntington Beach CA 92648

Additional Insured:

City of Huntington Beach, its officers, elected or appointed officials, employees, agents and volunteers

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**BUSINESS AUTO COVERAGE ENHANCEMENT ENDORSEMENT****This endorsement modifies insurance provided under the following:****BUSINESS AUTO COVERAGE FORM**

With respect to coverage afforded by this endorsement, the provisions of the policy apply unless modified by the endorsement.

COVERAGE INDEX

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SECTION II - LIABILITY COVERAGE is amended as follows:**1. BROAD FORM INSURED**

SECTION II - LIABILITY COVERAGE, paragraph A.1. - WHO IS AN INSURED is amended to include the following as an insured:

- d. Any legally incorporated entity of which you own more than 50 percent of the voting stock during the policy period. However, "insured" does not include any organization that:

- (1) Is a partnership or joint venture; or
- (2) Is an insured under any other automobile policy; or
- (3) Has exhausted its Limit of Insurance under any other automobile policy.

Paragraph d. (2) of this provision does not apply to a policy written to apply specifically in excess of this policy.

- e. Any organization you newly acquire or form, other than a partnership or joint venture, of which you own more than 50 percent of the voting stock. This automatic coverage is afforded only for 180 days from the date of acquisition or formation. However, coverage under this provision does not apply:

- (1) If there is similar insurance or a self-insured retention plan available to that organization;

- (2) If the Limits of Insurance of any other insurance policy have been exhausted; or
- (3) To "bodily injury" or "property damage" that occurred before you acquired or formed the organization.

2. EMPLOYEES AS INSURED

SECTION II - LIABILITY COVERAGE, paragraph A.1. - WHO IS AN INSURED is amended to include the following as an insured:

- f. Any "employee" of yours while using a covered "auto" you do not own, hire or borrow, but only for acts within the scope of their employment by you. Insurance provided by this endorsement is excess over any other insurance available to any "employee".
- g. An "employee" of yours while operating an "auto" hired or borrowed under a written contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business and within the scope of their employment. Insurance provided by this endorsement is excess over any other insurance available to the "employee".

3. ADDITIONAL INSURED BY CONTRACT, AGREEMENT OR PERMIT

SECTION II - LIABILITY COVERAGE, paragraph A.1. - WHO IS AN INSURED is amended to include the following as an insured:

- h. Any person or organization with respect to the operation, maintenance or use of a covered "auto", provided that you and such person or organization have agreed in a written contract, agreement, or permit issued to you by governmental or public authority, to add such person, or organization, or governmental or public authority to this policy as an "insured".

However, such person or organization is an "insured":

- (1) Only with respect to the operation, maintenance or use of a covered "auto";
- (2) Only for "bodily injury" or "property damage" caused by an "accident" which takes place after you executed the written contract or agreement, or the permit has been issued to you; and
- (3) Only for the duration of that contract, agreement or permit

4. SUPPLEMENTARY PAYMENTS

SECTION II - LIABILITY COVERAGE, Coverage Extensions, 2.a. Supplementary Payments, paragraphs (2) and (4) are replaced by the following:

- (2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (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.

5. AMENDED FELLOW EMPLOYEE EXCLUSION

In those jurisdictions where, by law, fellow employees are not entitled to the protection afforded to the employer by the workers compensation exclusivity rule, or similar protection, the following provision is added:

SECTION II - LIABILITY, exclusion B.5. FELLOW EMPLOYEE does not apply if the "bodily injury" results from the use of a covered "auto" you own or hire.

SECTION III - PHYSICAL DAMAGE COVERAGE is amended as follows:

6. HIRED AUTO PHYSICAL DAMAGE

Paragraph A.4. Coverage Extensions of SECTION III - PHYSICAL DAMAGE COVERAGE, is amended by adding the following:

If hired "autos" are covered "autos" for Liability Coverage, and if Comprehensive, Specified Causes of Loss or Collision coverage are provided under the Business Auto Coverage Form for any "auto" you own, then the Physical Damage coverages provided are extended to "autos":

- a. You hire, rent or borrow; or

- b. Your "employee" hires or rents under a written contract or agreement in that "employee's" name, but only if the damage occurs while the vehicle is being used in the conduct of your business,

subject to the following limit and deductible:

- A. The most we will pay for "loss" in any one "accident" or "loss" is the smallest of:
- (1) \$50,000; or
 - (2) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
 - (3) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality, minus a deductible.
- B. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage.
- C. Subject to the limit, deductible and excess provisions described in this provision, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.
- D. Subject to a maximum of \$1,000 per "accident", we will also cover the actual loss of use of the hired "auto" if it results from an "accident", you are legally liable and the lessor incurs an actual financial loss.
- E. This coverage extension does not apply to:
- (1) Any "auto" that is hired, rented or borrowed with a driver; or
 - (2) Any "auto" that is hired, rented or borrowed from your "employee".

For the purposes of this provision, SECTION V - DEFINITIONS is amended by adding the following:

"Total loss" means a "loss" in which the cost of repairs plus the salvage value exceeds the actual cash value.

7. TOWING AND LABOR

SECTION III - PHYSICAL DAMAGE COVERAGE, paragraph A.2. Towing, is amended by the addition of the following:

We will pay towing and labor costs incurred, up to the limits shown below, each time a covered "auto" classified and rated as a private passenger type, "light truck" or "medium truck" is disabled:

- a. For private passenger type vehicles, we will pay up to \$50 per disablement.
- b. For "light trucks", we will pay up to \$50 per disablement. "Light trucks" are trucks that have a gross vehicle weight (GVW) of 10,000 pounds or less.
- c. For "medium trucks", we will pay up to \$150 per disablement. "Medium trucks" are trucks that have a gross vehicle weight (GVW) of 10,001 - 20,000 pounds.

However, the labor must be performed at the place of disablement.

8. PHYSICAL DAMAGE - ADDITIONAL TRANSPORTATION EXPENSE COVERAGE

Paragraph A.4.a., Coverage Extension of SECTION III - PHYSICAL DAMAGE COVERAGE, is amended to provide a limit of \$50 per day and a maximum limit of \$1,500

9. RENTAL REIMBURSEMENT

SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE, is amended by adding the following:

- a. We will pay up to \$75 per day for rental reimbursement expenses incurred by you for the rental of an "auto" because of "accident" or "loss", to an "auto" for which we also pay a "loss" under Comprehensive, Specified Causes of Loss or Collision Coverages. We will pay only for those expenses incurred after the first 24 hours following the "accident" or "loss" to the covered "auto."
- b. Rental Reimbursement will be based on the rental of a comparable vehicle, which in many cases may be substantially less than \$75 per day, and will only be allowed for the period of time it should take to repair or replace the vehicle with reasonable speed and similar quality, up to a maximum of 30 days.
- c. We will also pay up to \$500 for reasonable and necessary expenses incurred by you to remove and replace your tools and equipment from the covered "auto".
- d. This coverage does not apply unless you have a business necessity that other "autos" available for your use and operation cannot fill.
- e. If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided under Paragraph 4. Coverage Extension.
- f. No deductible applies to this coverage.

For the purposes of this endorsement provision, materials and equipment do not include "personal effects" as defined in provision 11.

10. EXTRA EXPENSE - BROADENED COVERAGE

Under SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE, we will pay for the expense of returning a stolen covered "auto" to you. The maximum amount we will pay is \$1,000.

11. PERSONAL EFFECTS COVERAGE

- A. SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE, is amended by adding the following:

If you have purchased Comprehensive Coverage on this policy for an "auto" you own and that "auto" is stolen, we will pay, without application of a deductible, up to \$600 for "personal effects" stolen with the "auto."

The insurance provided under this provision is excess over any other collectible insurance.

- B. SECTION V - DEFINITIONS is amended by adding the following:

For the purposes of this provision, "personal effects" mean tangible property that is worn or carried by an insured." "Personal effects" does not include tools, equipment, jewelry, money or securities.

12. ACCIDENTAL AIRBAG DEPLOYMENT

SECTION III - PHYSICAL DAMAGE COVERAGE, B. EXCLUSIONS is amended by adding the following:

If you have purchased Comprehensive or Collision Coverage under this policy, the exclusion for "loss" relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

Any insurance we provide shall be excess over any other collectible insurance or reimbursement by manufacturer's warranty. However, we agree to pay any deductible applicable to the other coverage or warranty.

13. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE

SECTION III - PHYSICAL DAMAGE COVERAGE, B. EXCLUSIONS, exception paragraph a. to exclusions 4.c. and 4.d. is deleted and replaced with the following:



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of 64

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

- a. Electronic equipment that receives or transmits audio, visual or data signals, whether or not designed solely for the reproduction of sound, if the equipment 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" and physical damage coverages are provided for the covered "auto"; or

If the "loss" occurs solely to audio, visual or data electronic equipment or accessories used with this equipment, then our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by a \$100 deductible.

14. LOAN / LEASE GAP COVERAGE

- A. Paragraph C., LIMIT OF INSURANCE of SECTION III - PHYSICAL DAMAGE COVERAGE is amended by adding the following:

The most we will pay for a "total loss" to a covered "auto" owned by or leased to you in any one "accident" is the greater of the:

1. Balance due under the terms of the loan or lease to which the damaged covered "auto" is subject at the time of the "loss" less the amount of:
 - a. Overdue payments and financial penalties associated with those payments as of the date of the "loss",
 - b. Financial penalties imposed under a lease due to high mileage, excessive use or abnormal wear and tear,
 - c. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease,
 - d. Transfer or rollover balances from previous loans or leases,
 - e. Final payment due under a "Balloon Loan",
 - f. The dollar amount of any unrepaired damage which occurred prior to the "total loss" of a covered "auto",
 - g. Security deposits not refunded by a lessor,
 - h. All refunds payable or paid to you as a result of the early termination of a lease agreement or as a result of the early termination of any warranty or extended service agreement on a covered "auto",
 - i. Any amount representing taxes,
 - j. Loan or lease termination fees; or

2. The actual cash value of the damage or stolen property as of the time of the "loss".

An adjustment for depreciation and physical condition will be made in determining the actual cash value at the time of the "loss". This adjustment is not applicable in Texas.

B. ADDITIONAL CONDITIONS

This coverage applies only to the original loan for which the covered "auto" that incurred the loss serves as collateral, or lease written on the covered "auto" that incurred the loss.

C. SECTION V - DEFINITIONS is changed by adding the following:

As used in this endorsement provision, the following definitions apply:

"Total loss" means a "loss" in which the cost of repairs plus the salvage value exceeds the actual cash value.

A "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.

15. GLASS REPAIR - WAIVER OF DEDUCTIBLE

Paragraph **D. Deductible** of SECTION III - PHYSICAL DAMAGE COVERAGE is amended by the addition of the following:

No deductible applies to glass damage if the glass is repaired rather than replaced.

16. PARKED AUTO COLLISION COVERAGE (WAIVER OF DEDUCTIBLE)

Paragraph **D. Deductible** of SECTION III - PHYSICAL DAMAGE COVERAGE is amended by the addition of the following:

The deductible does not apply to "loss" caused by collision to such covered "auto" of the private passenger type or light weight truck with a gross vehicle weight of 10,000 lbs. or less as defined by the manufacturer as maximum loaded weight the "auto" is designed to carry while it is:

- a. In the charge of an "insured";
- b. Legally parked; and
- c. Unoccupied.

The "loss" must be reported to the police authorities within 24 hours of known damage.

The total amount of the damage to the covered "auto" must exceed the deductible shown in the Declarations.

This provision does not apply to any "loss" if the covered "auto" is in the charge of any person or organization engaged in the automobile business.

17. TWO OR MORE DEDUCTIBLES

Under SECTION III PHYSICAL DAMAGE COVERAGE, if two or more company policies or coverage forms apply to the same accident, the following applies to paragraph D. Deductible:

- a. If the applicable Business Auto deductible is the smaller (or smallest) deductible it will be waived; or
- b. If the applicable Business Auto deductible is not the smaller (or smallest) deductible it will be reduced by the amount of the smaller (or smallest) deductible; or
- c. If the loss involves two or more Business Auto coverage forms or policies the smaller (or smallest) deductible will be waived.

For the purpose of this endorsement company means any company that is part of the Liberty Mutual Group.

SECTION IV - BUSINESS AUTO CONDITIONS is amended as follows:

18. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

SECTION IV-BUSINESS AUTO CONDITIONS, Paragraph **B.2.** is amended by adding the following:

If you unintentionally fail to disclose any hazards, exposures or material facts existing as of the inception date or renewal date of the Business Auto Coverage Form, the coverage afforded by this policy will not be prejudiced.

However, you must report the undisclosed hazard of exposure as soon as practicable after its discovery, and we have the right to collect additional premium for any such hazard or exposure.

19. AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT, OR LOSS

SECTION IV - BUSINESS AUTO CONDITIONS, paragraph **A.2.a.** is replaced in its entirety by the following:

- a. In the event of "accident", claim, "suit" or "loss", you must promptly notify us when it is known to:
 - 1. You, if you are an individual;
 - 2. A partner, if you are a partnership;
 - 3. Member, if you are a limited liability company;
 - 4. An executive officer or the "employee" designated by the Named Insured to give such notice, if you are a corporation.

To the extent possible, notice to us should include:

- (1) How, when and where the "accident" or "loss" took place;
- (2) The "insureds" name and address; and
- (3) The names and addresses of any injured persons and witnesses.

20. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

SECTION IV - BUSINESS AUTO CONDITIONS, paragraph A.5., Transfer of Rights of Recovery Against Others to Us, is amended by the addition of the following:

If the person or organization has waived those rights before an "accident" or "loss", our rights are waived also.

21. HIRED AUTO COVERAGE TERRITORY

SECTION IV - BUSINESS AUTO CONDITIONS, paragraph B.7., Policy Period, Coverage Territory, is amended by the addition of the following:

- f. For "autos" hired 30 days or less, the coverage territory is anywhere in the world, provided that the insured's responsibility to pay for damages is determined in a "suit", on the merits, in the United States, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

This extension of coverage does not apply to an "auto" hired, leased, rented or borrowed with a driver.

SECTION V - DEFINITIONS is amended as follows:

22. BODILY INJURY REDEFINED

Under SECTION V - DEFINITIONS, definition C. is replaced by the following:

"Bodily injury" means physical injury, sickness or disease sustained by a person, including mental anguish, mental injury, shock, fright or death resulting from any of these at any time.

COMMON POLICY CONDITIONS

23. EXTENDED CANCELLATION CONDITION

COMMON POLICY CONDITIONS, paragraph A. - CANCELLATION condition applies except as follows:

If we cancel for any reason other than nonpayment of premium, we will mail to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation. This provision does not apply in those states which require more than 60 days prior notice of cancellation.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED AND PRIMARY AND NON-CONTRIBUTORY
AS REQUIRED BY WRITTEN CONTRACT- BLANKET**

<i>Attached To and Forming Part of Policy</i> 0100052576-1	<i>Effective Date of Endorsement</i> 06/13/2018 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i> Merrimac Petroleum Inc
<i>Additional Premium:</i> \$0		<i>Return Premium:</i> \$0

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE

- A. **SECTION II – WHO IS AN INSURED** is amended to include any person(s) or organization(s) you are required to include as an Additional Insured on this policy by written contract in effect during the policy period and executed prior to the “occurrence” of the “bodily injury” or “property damage” but only for such “bodily injury” or “property damage” caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
1. In the performance of your ongoing operations; or
 2. In connection with your premises owned or rented to you.
- B. The insurance provided by this endorsement shall be excess with respect to any other valid and collectible insurance available to the Additional Insured unless the written contract specifically requires that this insurance apply on a primary and non-contributory basis, in which case this insurance shall be primary and non-contributory.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - COMPLETED OPERATIONS

<i>Attached To and Forming Part of Policy</i> 0100052576-1	<i>Effective Date of Endorsement</i> 06/13/2018 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i> Merrimac Petroleum Inc
<i>Additional Premium:</i> \$0		<i>Return Premium:</i> \$0

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Additional Insured Person(s) or Organization(s)	Location and Description of Completed Operations
Blanket, as required by written contract	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for “bodily injury” or “property damage” caused, in whole or in part, by “your work” at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the “products-completed operations hazard”.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.



P.O. BOX 8192, PLEASANTON, CA 94588

CERTIFICATE OF WORKERS' COMPENSATION INSURANCE

ISSUE DATE: 01-03-2019

GROUP:
POLICY NUMBER: 1903687-2018
CERTIFICATE ID: 74
CERTIFICATE EXPIRES: 09-01-2019
09-01-2018/09-01-2019

CITY OF HUNTINGTON BEACH
2000 MAIN ST
HUNTINGTON BEACH CA 92648-2702

SC

This is to certify that we have issued a valid Workers' Compensation insurance policy in a form approved by the California Insurance Commissioner to the employer named below for the policy period indicated.

This policy is not subject to cancellation by the Fund except upon 30 days advance written notice to the employer.

We will also give you 30 days advance notice should this policy be cancelled prior to its normal expiration.

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policy listed herein. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate of insurance may be issued or to which it may pertain, the insurance afforded by the policy described herein is subject to all the terms, exclusions, and conditions, of such policy.

Authorized Representative

President and CEO

EMPLOYER'S LIABILITY LIMIT INCLUDING DEFENSE COSTS: \$1,000,000 PER OCCURRENCE.

ENDORSEMENT #0015 ENTITLED ADDITIONAL INSURED EMPLOYER EFFECTIVE 2019-01-03 IS ATTACHED TO AND FORMS A PART OF THIS POLICY. NAME OF ADDITIONAL INSURED:
CITY OF HUNTINGTON BEACH

ENDORSEMENT #2065 ENTITLED CERTIFICATE HOLDERS' NOTICE EFFECTIVE 09-01-2012 IS ATTACHED TO AND FORMS A PART OF THIS POLICY.

ENDORSEMENT #2572 ENTITLED BLANKET WAIVER OF SUBROGATION EFFECTIVE 2018-09-01 IS ATTACHED TO AND FORMS A PART OF THIS POLICY

ENDORSEMENT #1651 - MARY HAZELRIGG PRESIDENT - EXCLUDED.

EMPLOYER

MERRIMAC PETROLEUM INC.
3738 BAYER AVE STE 204
LONG BEACH CA 90808

SC

[MB0,CS]