

**COMMERCIAL DEBRIS HAULERS FRANCHISE AGREEMENT BETWEEN THE
CITY OF LINCOLN AND FERMA GREENBOX, INC.**

This Agreement is made and entered into this 13th day of May 2025 ("Effective Date") by and between the CITY OF LINCOLN ("CITY"), and FERMA GREENBOX, INC. ("FRANCHISEE").

RECITALS

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 ("AB 939") (California Public Resources Code Section 40000 et seq.), has declared that it is in the public interest to authorize and require local agencies to make adequate provisions for solid waste handling within their jurisdictions; and

WHEREAS, the City has determined that the public health, safety and welfare require that non-exclusive franchises be awarded to qualified companies for the collection, transport and disposal of commercial debris within the City; and

WHEREAS, the Legislature has found and declared in Section 49510 of the Public Resources Code that it is in the public interest to foster and encourage solid waste enterprise so that, at all times, there will continue to be competent enterprises willing and financially able to furnish needed solid waste handling service.

WHEREAS, one of the purposes of this Agreement is to regulate such franchises in order to ensure the orderly collection, transportation and disposal of commercial debris within the City and to minimize the potential for adverse effects it may have on the local environment; and

WHEREAS, the City requires all haulers, including governmental and public entities, providing commercial solid waste services within the City to obtain a non-exclusive franchise in order to regulate this business, ensure its orderly operation and to minimize the potential for adverse effects it may have on the local environment; and

WHEREAS, FRANCHISEE has applied to the City for a Commercial Debris Haulers Franchise pursuant to Chapter 8.06 of the Lincoln Municipal Code; and

WHEREAS, the City has reviewed FRANCHISEE's application for the purpose of determining whether FRANCHISEE meets the requirements for the granting of such Franchise; and

WHEREAS, the City has determined that the grant of such Franchise to FRANCHISEE is in the public interest; and

WHEREAS, The City intends to receive value for the franchise issued; and

WHEREAS, FRANCHISEE agrees to and acknowledges that it shall arrange for the proper disposal of commercial debris collected in the City and the City is not

instructing Franchisee how to collect, transport or dispose of debris so long as its operation is consistent with City Ordinances; and

WHEREAS, the City and FRANCHISEE desire to enter into a Commercial Debris Haulers Franchise Agreement in order that FRANCHISEE may perform commercial solid waste collection, transportation and disposal services within the City.

AGREEMENT

NOW, THEREFORE, based on the mutual promises contained herein, the parties agree as follows:

Section 1. Grant of Franchise.

a. The City hereby grants to FRANCHISEE a non-exclusive Commercial Debris Haulers Franchise ("Franchise") authorizing FRANCHISEE to engage in the business of collecting, transporting and disposing of commercial debris (as defined in Lincoln Municipal Code section 8.06.020) that is kept, accumulated or generated in the City and to use the public streets and rights of way for such purposes.

b. This grant is pursuant to FRANCHISEE's application for the Franchise, which application, and the representations and warranties therein, are incorporated herein by this reference.

Section 2. Acceptance of Franchise.

FRANCHISEE hereby accepts the Franchise on the terms and conditions set forth in this Agreement, the City's Municipal Code, Ordinances and Resolutions. Execution of this Agreement shall not constitute the notification contemplated by Public Resources Code Section 49520 for exclusive franchises.

Section 3. Term of Franchise.

(a) Subject to Section 20 of this Agreement, the term of the Franchise granted to FRANCHISEE shall be for five (5) years, with the option to renew for up to two (2) additional five (5) year terms with written mutual consent, provided that the FRANCHISEE is in good standing with the City at the time of renewal.

(b) If the City assumes the sole responsibility for collecting solid waste with its own employees within the City, or the City amends its ordinances to change the solid waste regulations to provide for a different non-exclusive commercial debris haulers franchise or permit system, then the City may terminate this Agreement and FRANCHISEE's Commercial Debris Haulers Franchise by providing not less than one year's written notice to FRANCHISEE.

Section 4. Conditions for Effectiveness.

The effectiveness of this Agreement is subject to FRANCHISEE's satisfaction of each and all of the conditions set forth below, any of which may be waived in whole or in part at the City's sole discretion.

a. Accuracy of Representations. The representations and warranties made by FRANCHISEE in its Application for Franchise are true and correct on and as of the Effective Date.

b. Absence of Litigation. There is no litigation pending on the Effective Date in any court challenging the award or execution of this Agreement or seeking to restrain or enjoin its performance.

c. Furnishing of Insurance. FRANCHISEE has furnished evidence sufficient to the satisfaction of City of the Insurance required by Section 12 of this Agreement.

Section 5. Limitations on Scope of Franchise.

Under the terms of this Franchise, FRANCHISEE has the authority to collect only roll off boxes and debris boxes not generally serviced by the City's municipal waste collection division.

Section 6. Franchise Fees.

a. During the term of the Franchise, FRANCHISEE shall pay to the City franchise fees for the privilege of engaging in the business of collecting, transporting and disposing of commercial debris and recyclables kept, accumulated or generated in the City.

b. Franchise fees shall be payable on all gross commercial debris collection revenues received from customers located within in the City. The franchise fee shall be calculated based on gross collection revenues prior to FRANCHISEE imposing the franchise fee on its customers.

c. Such franchise fees shall be in the amount established for commercial debris services as set forth by Resolution No. 2003-067 adopted by the City Council. Franchise fees may be modified in the amount and manner of payment at any time during the term of this Agreement by a resolution of the City Council. However, the initial franchise fee shall be ten percent (10.0%) of all gross commercial debris collection revenues received from customers located within the City.

d. FRANCHISEE shall pay commercial debris franchise fees on all "solid waste" as defined by Lincoln Municipal Code section 8.06.020, collected pursuant to the Franchise and this Agreement regardless of the method of disposal or handling.

Section 7. Franchise Fee Payment.

a. Franchise fees shall be payable on a monthly basis and shall be due and payable on the first day of the second month immediately following the month in which collection services were provided. Each payment shall be calculated in accordance with the provisions of this Agreement and the Lincoln Municipal Code.

b. The franchise fee shall be paid to the City of Lincoln, to the attention of the City Manager or the City Manager's designee ("Administrator"). Each payment shall be accompanied by a written statement, verified by the person making the payment, or a duly authorized representative of the person, showing the calculation of the franchise

fee payable in such form and detail as the Administrator may require and such other information as the Administrator may determine is material to a determination of the amount due.

c. No statement filed under this section shall be conclusive as to the matters set forth in such statement, nor shall the filing of such statement preclude the City from collecting by appropriate action the sum actually due and payable.

d. If franchise fees are not paid by FRANCHISEE at the times required by this Section, then in addition to the franchise fees, FRANCHISEE shall pay a late payment charge in an amount equal to two percent (2%) of the franchise fee that is due, plus interest equal to one and one-half percent (1.5%) for each month in which the franchise fee was not timely paid.

e. FRANCHISEE shall pay all required franchise fees to:

City of Lincoln, Finance Department
600 Sixth Street
Lincoln, CA 95648

f. If FRANCHISEE remits its franchise fees by personal delivery to the City, such franchise fees shall be deemed timely paid only if delivered on or before the due date. If FRANCHISEE remits franchise fees by mail or other delivery service, such franchise fees shall be deemed timely only if (1) the envelope containing the franchise fee payment bears a postmark or receipt showing that the payment was mailed or sent on or before the due date or (2) FRANCHISEE submits proof satisfactory to the Administrator that the franchise fee payment was in fact deposited in the mail or sent on or before said due date.

g. In the event FRANCHISEE believes it has paid franchise fees in excess of the fees due the City, FRANCHISEE may submit a request for refund to the Administrator on a form provided by said Administrator. If proof of overpayment is satisfactory to the Administrator, the Administrator shall refund to FRANCHISEE any overpayment. FRANCHISEE shall not apply any overpayment as a credit against any franchise fees or other amounts payable to the City unless specifically so authorized by the Administrator in writing.

Section 8. Ownership of Solid Waste.

The City does not acquire any ownership or right to possess solid waste collected by FRANCHISEE pursuant to this Agreement.

Section 9. Disposal of Commercial Debris.

a. FRANCHISEE shall dispose of all commercial debris collected and transported by FRANCHISEE exclusively at the Western Placer Waste Management Authority (WPWMA) Facility. No processing or alteration of solid waste shall occur after collection and prior to delivery. WPWMA shall provide the City with quarterly reports detailing disposal and diversion tonnage for the purposes of tracking and verification.

b. FRANCHISEE shall advise the City and its clients of any flow control agreement that would dictate the destination of any recovered material.

Section 10. Reports.

a. FRANCHISEE shall file with the Administrator a quarterly report of the quantities of commercial debris collected, transported, diverted, and/or disposed. Such report shall be in such form and detail as required by the Administrator. Specifically, the report shall contain, but not be limited to, the following information:

- (1) the commercial debris tonnage collected and removed within the City during the previous quarter;
- (2) the total revenue collected for the removal of commercial debris during the previous quarter; and
- (3) copies of all scale receipts for the period.

b. The Administrator shall establish guidelines, forms and other appropriate material to assist FRANCHISEE in preparing the reports required by this section. A FRANCHISEE's failure to file the reports required by this section shall constitute a default pursuant to Section 20 of this Agreement or cause for suspension or termination pursuant to Lincoln Municipal Code section 8.01.140 at the City's sole discretion.

c. If the quarterly report required under subsection a, above, is not filed by the due date, the report shall be deemed delinquent, and FRANCHISEE shall pay to the City a delinquent report charge in the amount of fifty dollars (\$50.00). If the report remains delinquent for more than fifteen days, the FRANCHISEE shall pay to the City a delinquent report charge in the amount of one hundred dollars (\$100.00). Such delinquent report charge(s) shall be in addition to any franchise fees or other charges due and payable by FRANCHISEE for the same period of time.

d. Each quarterly report shall be submitted on or before the first day of the second calendar month immediately following the reportable quarter and shall be submitted as provided in Section 22 of this Agreement.

e. FRANCHISEE shall be required to retain documents in the form required by the Administrator evidencing monthly the following:

- (1) each container size in the City from which FRANCHISEE collected commercial debris during the reportable month;
- (2) the number of collections of each listed container size during the reportable month; the total volume of commercial debris collected in the City during the reportable month;
- (3) the total weight (in tons) of commercial debris disposed of by FRANCHISEE at landfills and transfer stations during the reportable month;
- (4) the total weight and the weight by material category (in tons) of commercial debris disposed of by FRANCHISEE during the reportable month;
- (5) the total weight and the weight by material category (in tons) of commingled recyclables disposed of by FRANCHISEE at recycling and materials recovery facilities during the reportable month;
- (6) the number of service locations by volume (cubic yards) of service provided;

- (7) FRANCHISEE's gross receipts for collection services provided in the City during the reportable month; and
- (8) such additional information as may be required by the Administrator.

If requested by the Administrator in conjunction with an investigation into FRANCHISEE's default pursuant to Section 20 of this Agreement, such documents shall be submitted to the Administrator.

Section 11. Inspection Authority.

a. FRANCHISEE shall at all times maintain accurate and complete accounts of all revenues and income arising out of its operations under the franchise granted pursuant to this Agreement and the Lincoln Municipal Code; all commercial debris collected, transported and/or disposed of; the source of such commercial debris; and the final destination of such commercial debris. FRANCHISEE's books, accounts and records reasonably necessary for the enforcement of the Lincoln Municipal Code and this Agreement shall be made available for inspection, examination and audit during normal business hours by authorized officers, employees and agents of the City. The City shall give FRANCHISEE written notice at least three (3) business days prior to any inspection, audit or examination of these records.

b. If the Administrator determines an audit is necessary, FRANCHISEE shall be responsible for reimbursement of audit costs, including any City staff time or retained consultant services, required to perform audits of accounts of all FRANCHISEE revenues and income arising out of operations under the franchise granted pursuant to this Agreement.

c. FRANCHISEE shall be further responsible for reimbursement of audit costs for City staff time or retained consultant services required to perform follow-up audits if City determines that documentation, as presented by FRANCHISEE, is inadequate.

Section 12. Insurance Requirements.

FRANCHISEE shall obtain and maintain throughout the term of this Agreement, at FRANCHISEE's sole cost and expense, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of work pursuant to this Agreement by FRANCHISEE, its agents, representatives, employees or contractors.

a. Minimum Scope and Limits of Insurance. FRANCHISEE shall maintain at least the following minimum insurance coverage's:

- (1) *Comprehensive General Liability:* \$2,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this AGREEMENT or the general aggregate limit shall be twice the required occurrence limit.

- (2) *Automobile Liability: \$2,000,000 combined single limit per accident for bodily injury and property damage. Coverage shall include hired autos and non-owned autos.*
- (3) *Workers' Compensation and Employers' Liability: Workers' Compensation limits as required by the California Labor Code and Employers Liability limits of \$1,000,000 per accident.*

b. **Deductibles and Self-Insured Retentions.** Any deductibles or self-insured retentions must be described in FRANCHISEE's application for this franchise. If FRANCHISEE desires to change its deductible or self-insured retention status after the Effective Date, it shall first obtain approval of City Manager for these changes. FRANCHISEE shall be responsible for payment of all deductibles or self-insured retentions.

c. **Other Insurance Provisions.** The required insurance policies are to contain, or be endorsed to contain, the following provisions:

(1) ***General Liability and Automobile Liability Coverages.***

(a) The City, its officers, employees, agents and contractors are to be covered as an additional insured for any and all liability arising out of activities performed by, or on behalf of FRANCHISEE; products and completed operations of FRANCHISEE; premises owned, leased or used by FRANCHISEE; and automobiles and vehicles owned, leased, hired or borrowed by FRANCHISEE. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, employees, agents and contractors.

(b) FRANCHISEE's insurance coverage shall be primary insurance as to the City, its officers, employees, agents and contractors for all liability arising out of activities performed by, or on behalf of FRANCHISEE; products and completed operations of FRANCHISEE; premises owned, leased or used by FRANCHISEE; and automobiles owned, leased, hired or borrowed by FRANCHISEE. Any insurance or self-insurance maintained by the City, its officers, employees, agents or contractors shall be deemed in excess of FRANCHISEE's insurance and shall not contribute with it nor be subject to subrogation.

(c) Any failure of FRANCHISEE to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officers, employees, agents or contractors.

(d) Coverage shall state that FRANCHISEE's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(2) ***All Coverages.***

Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be suspended, voided, canceled,

or reduced in limits except after thirty (30) days' prior written notice has been given to the City.

d. Placement of Insurance. Insurance shall be placed with insurers acceptable to the City Manager. FRANCHISEE must place insurance with a current A.M. Best rating of no less than A:VII. The City Manager may waive or alter this requirement or accept self-insurance in lieu of any required policy of insurance if, in the sole opinion of the City Manager, the interests of the City and the general public are adequately protected.

e. Proof of Insurance. FRANCHISEE shall furnish the City with certificates of insurance and with original endorsements affecting coverage required by this Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Proof of insurance shall be mailed or personally delivered to the address provided in Section 22 of this Agreement.

FRANCHISEE ACKNOWLEDGES THAT UNDER THE LINCOLN MUNICIPAL CODE THAT THE COMMERCIAL DEBRIS HAULERS FRANCHISE GRANTED TO FRANCHISEE HEREIN WILL NOT BECOME EFFECTIVE, AND FRANCHISEE WILL HAVE NO AUTHORITY TO PERFORM COMMERCIAL DEBRIS COLLECTION IN THE CITY, UNLESS FRANCHISEE PROVIDES SATISFACTORY PROOF OF INSURANCE PRIOR TO BEGINNING OPERATIONS AS A FRANCHISEE.

f. Modification of Insurance Requirements. The City shall retain the right at any time to review the coverages, form and amount of insurances required by this Agreement. If, in the opinion of the City Manager, the insurance provisions in this Agreement do not provide adequate protection for the City and for members of the public, the City may require FRANCHISEE to obtain insurance sufficient in coverage, form and amount to provide adequate protection. The City's requirements shall be reasonable but shall be imposed to ensure protection from and against the kind and extent of risks that exist at the time a change in insurance is required.

g. Waiver of Subrogation. FRANCHISEE hereby agrees to waive subrogation which any insurer of FRANCHISEE may acquire from FRANCHISEE by virtue of the payment of any loss. FRANCHISEE agrees to obtain any endorsement that may be necessary to effectuate this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of City for all work performed by FRANCHISEE, its employees, agents and subcontractors.

Section 13. Indemnity.

FRANCHISEE agrees to defend, with counsel approved by the City, indemnify, and hold harmless the City and all of its agents, officers, servants, and employees from and against any and all claims asserted or liability established for damages or injuries to any person or property, including injury to City employees, agents or officers which arise from, or in any manner connected or related with, or are caused by willful or negligent acts or omissions of FRANCHISEE, or its agents, officers or employees, in the performance of the non-exclusive franchise or this Agreement, or in performing the work or services therein, and all costs and expenses of investigating and defending against

same; provided, however, that FRANCHISEE's duty to indemnify and hold harmless shall not include any claims or liability to the extent arising from the sole negligence, active negligence, or sole willful misconduct of the City, its agents, officers, servants and employees.

Section 14. Equipment.

a. Any and all containers provided to waste generators by FRANCHISEE for storage, collection or transportation of commercial solid wastes or recyclables shall meet the requirements of the Lincoln Municipal Code.

b. Any and all vehicles used by FRANCHISEE to perform commercial debris collection services shall meet the requirements the Lincoln Municipal Code.

Section 15. Abandoned Containers.

a. If FRANCHISEE abandons any container used to provide commercial debris collection services under the franchise, the City may but is not required to remove the container and/or dispose of the contents of the container.

b. If the City removes a container abandoned by FRANCHISEE and/or disposes of the contents of any container abandoned by FRANCHISEE, the City may charge FRANCHISEE for City costs incurred in such removal/disposal and for City costs of storage of the container. FRANCHISEE shall reimburse City for such costs within ten (10) days of the date of the City invoice for such costs.

c. For the purposes of this section, "abandoned" includes:

- (1) FRANCHISEE's failure to remove the container within the time period specified upon termination of the Commercial Debris Haulers Franchise pursuant to the Lincoln Municipal Code;
- (2) FRANCHISEE's failure to remove the container within a reasonable period after the expiration of the franchise granted to FRANCHISEE, except when FRANCHISEE has been granted an extension of the term of said franchise or FRANCHISEE has been granted a subsequent Commercial Debris Haulers Franchise authorizing FRANCHISEE to collect and transport the type or types of solid waste for which the container was used pursuant to this AGREEMENT.
- (3) FRANCHISEE's failure to dispose of the contents of the container within five (5) days after the Administrator issues written notice to FRANCHISEE to dispose of the contents.

Section 16. Franchisee Provided Solid Waste Containers.

a. General. Containers used for storage of solid waste shall be designed and constructed to be watertight and prevent the leakage of liquids. All containers shall be painted and shall prominently display the name of the FRANCHISEE.

b. Cleaning, Painting, Maintenance. FRANCHISEE shall make reasonable efforts to replace, clean or repaint all containers as needed so as to present a clean appearance.

Section 17. Personnel.

a. Driver Qualifications. FRANCHISEE agrees that all of its drivers shall be trained and qualified in the operation of collection vehicles and must have in effect a valid license of the appropriate class issued by the California Department of Motor Vehicles.

b. Safety Training. FRANCHISEE shall provide suitable operational and safety training for all of its employees who utilize or operate vehicles or equipment for collection of solid waste, or who are otherwise directly involved in such collection.

Section 18. Compliance With Law.

FRANCHISEE shall perform all collection, transportation and disposal operations in accordance with applicable federal, state, and local law, including the Lincoln Municipal Code, in accordance with all regulations promulgated under such laws, and in accordance with the terms and conditions of this Agreement.

Section 19. Permits and Licenses.

FRANCHISEE shall obtain and maintain, at FRANCHISEE's sole cost and expense, all permits and licenses applicable to FRANCHISEE's operations under the Franchise required of FRANCHISEE by any governmental agency.

Section 20. Default, Termination.

a. Default. Except for the occurrence of Force Majeure, as defined in subsection (d), in the event of any material failure or refusal of FRANCHISEE to comply with any obligation or duty imposed on FRANCHISEE under this Agreement or City Ordinances, City Administrator and FRANCHISEE shall meet and confer in good faith in an effort to agree on a resolution and cure of the breach. If the parties are unable to agree on the informal resolution or cure of the breach within ten (10) business days, City Administrator shall have the right to terminate this Agreement if:

- (1) Following the ten (10) day meet and confer period described above, City shall have given written notice to FRANCHISEE specifying that a particular default or defaults exists which will, unless corrected, constitute a material breach of this Agreement on the part of FRANCHISEE, and
- (2) FRANCHISEE fails to correct such default or fails to take reasonable steps to commence to correct such default within thirty (30) days from the date of the notice given by City under subsection (1) above and FRANCHISEE thereafter fails to diligently continue to take reasonable steps to correct such default.

b. The following events shall also constitute a material breach and default under this Agreement:

- (1) Misrepresentation. Any misrepresentation or disclosure made to the City by FRANCHISEE in connection with or as an inducement

to entering this Agreement or any future amendment to this Agreement, which proves to be false or misleading in any material respect as of the time the representation or disclosure is made, whether or not any such representation or disclosure appears as part of this Agreement.

- (2) **Fraud or Deceit.** If FRANCHISEE practices, or attempts to practice, any fraud or deceit upon the City.
- (3) **Failure to Maintain Coverage.** If FRANCHISEE fails to provide or maintain in full force and effect the Worker's Compensation, liability, or indemnification coverage as required by this Agreement.
- (4) **Violations of Regulation.** If FRANCHISEE violates any permits, orders or filing of any regulatory body having jurisdiction over FRANCHISEE which violation or non-compliance materially affects FRANCHISEE's ability to perform under this Agreement, provided that FRANCHISEE may contest any such orders or filings by appropriate proceedings conducted in good faith, in which case no breach of the franchise shall be deemed to have occurred during the pendency of the contestation or appeal, to the extent FRANCHISEE is able to adequately perform during that period.
- (5) **Acts or Omissions.** Any other act or omission by FRANCHISEE which materially violates the terms, conditions, or requirements of this Agreement, Lincoln Municipal Code, the Integrated Waste Management Act (AB 939), as it may be amended from time to time, or any order, directive, rule, or regulation issued thereunder and which is not corrected or remedied within the time set in the written notice of the violation or, if FRANCHISEE cannot reasonably correct or remedy the breach within the time set forth in such notices, if FRANCHISEE should fail to commence to correct or remedy such violation within the time set forth in such notice and diligently effect such correction or remedy thereafter.
- (6) **Termination of Service.** In the case of a breach related to the above subsections, and the breach continues for more than thirty (30) calendar days after written notice from the Administrator demanding correction thereof, provided that where such breach cannot be cured within such thirty (30) day period, the FRANCHISEE shall not be in default of this Agreement if FRANCHISEE shall have commenced such action required to cure the particular breach within ten (10) calendar days after such notice, and it continues such performance diligently until completed.

c. **Termination.** Upon the occurrence of a material breach, failure to cure will result in a declaration of termination of this Agreement by the City.

d. **Force Majeure.** The performance of this Agreement may be discontinued or temporarily suspended in the event of a force majeure event, and FRANCHISEE shall not be deemed to be in default and shall not be liable for failure to perform under

this Agreement if FRANCHISEE's performance is prevented or delayed by a force majeure event. A "Force Majeure Event" is defined as acts of God including landslides, lightening, forest fires, storms, floods, freezing and earthquakes, civil disturbances, strikes, lockouts, or other industrial disturbances, acts of the public enemy, wars, blockades, public riots, breakage, explosions, or government restraint. Notwithstanding anything to the contrary herein, the Parties agree that the settlement of strikes, lockouts or other industrial disturbances, and litigation, including appeals, shall be entirely within the discretion of the FRANCHISEE and FRANCHISEE may make settlement thereof at such time and on any such terms and conditions as it may deem to be advisable, and no delay in making such settlement shall deprive FRANCHISEE of the benefit of this Section. The outbreak of any pandemic or epidemic in which the failure to collect and remove Solid Waste would detrimentally impact the health, life, safety or welfare of the residents of the City of Lincoln, as determined in the sole discretion of the City, shall not constitute a Force Majeure Event.

e. City Manager shall serve written notice, either personally or by registered or certified mail, postage prepaid of the termination of a franchise under this Agreement to the last place of business of the FRANCHISEE and FRANCHISEE shall cease operation under its franchise within ten (10) days after receipt of said notice unless FRANCHISEE has requested an appeal hearing before the City Council prior to the expiration of the ten (10) day period. In the event FRANCHISEE requests such an appeal hearing, FRANCHISEE may continue collecting and transporting or disposing of refuse until the City Council has rendered its decision on the termination of the franchise.

f. Any FRANCHISEE whose franchise has been terminated has the right to an appeal hearing before the City Council. FRANCHISEE shall request such a hearing in writing to the City Clerk within ten (10) calendar days after receipt of notice of termination, and the City Council shall hold the appeal hearing not later than thirty (30) days following the receipt of FRANCHISEE's written request. The City Clerk shall give written notice of the time, date and place of the appeal hearing to FRANCHISEE and the Administrator. The City Council shall render its decision within fifteen (15) calendar days after the close of the appeal hearing and its decision shall be final.

Section 21. Conditions Upon Termination.

- a. In the event the Commercial Debris Haulers Franchise is terminated:
- (1) FRANCHISEE shall have no right or authority to engage in solid waste collection, transportation or disposal operations in the City.
 - (2) FRANCHISEE shall, however, remain liable to the City for any and all franchise fees that would otherwise be payable by FRANCHISEE, for any and all late payment charges and interest assessed pursuant to Section 7 of this Agreement and for any and all delinquent report charges assessed pursuant to Section 10 of this Agreement.
 - (3) FRANCHISEE shall have a continuing obligation to submit to the City all reports required by Section 10 of this Agreement which

relates to solid waste activities performed by FRANCHISEE up to and including the date of termination.

b. In the event the franchise is terminated, FRANCHISEE shall remove all of FRANCHISEE's solid waste containers from all of FRANCHISEE's collection service locations and shall properly dispose of all solid waste in such containers within the time period specified by the City Council and if directed by the Administrator.

Section 22. Notices.

Except as otherwise provided in this Agreement, all notices required by this Agreement or by the Commercial Debris Haulers Franchise shall be given by personal service or by deposit in the United States mail, postage pre-paid and either certified or return receipt requested, addressed to the parties as follows:

To City: City of Lincoln
Public Works Department
600 Sixth Street
Lincoln, CA 95648

To FRANCHISEE: Ferma Greenbox, Inc.
6647 Smith Avenue
Newark, CA 94560

Unless otherwise provided in this Agreement, notice shall be deemed effective on the date personally served or, if mailed, three days after the date deposited in the mail.

Section 23. Relationship of Parties.

The parties intend that FRANCHISEE shall perform the services required by this Agreement as an independent contractor and not as an officer or employee of the City. No employee or agent of FRANCHISEE shall be deemed to be an employee or agent of the City. Except as expressly provided herein, FRANCHISEE shall have the exclusive control over the manner and means of conducting the solid waste collection services performed under this Agreement and all persons performing such services. FRANCHISEE shall be solely responsible for the acts and omissions of its officers, employees, subcontractors and agents shall not obtain any rights to retirement benefits, worker's compensation benefits, or any other benefits which accrue to the employees of the City by virtue of their employment with the City.

FRANCHISEE agrees this Agreement is not made in the interest of, or on behalf of, any undisclosed person, partnership, franchisee, association, organization, or corporation. FRANCHISEE has not directly or indirectly colluded, conspired, connived or agreed with any person, partnership, franchisee, association, organization, or corporation to secure any advantage against the City.

Section 24. Compliance with Law.

In providing the services required under this Agreement, FRANCHISEE shall at all times, at its sole cost, comply with all applicable laws of the United States, the State of California, the City and other states, cities or counties which may have jurisdiction over any service provided pursuant to this Agreement and with all applicable regulations promulgated by any federal, state, regional or local administrative and regulatory agency, now in force and as they may be enacted, issued or amended during the term of this Agreement.

Section 25. Governing Law.

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California and the United States.

Section 26. Jurisdiction.

Any litigation arising out of this Agreement shall be brought in a court of competition jurisdiction for the State of California in the County of Placer.

Section 27. Assignment.

a. FRANCHISEE acknowledges this Agreement involves rendering a vital service to the businesses within the City, and that the City has franchised FRANCHISEE to perform the services specified herein based on (1) FRANCHISEE's experience, skill and reputation for conducting its solid waste collection in a safe, effective and responsible fashion, at all times in keeping with applicable waste management laws, regulations and good solid waste management practices, and (2) FRANCHISEE's financial resources to maintain the required equipment and to support its indemnity obligations to the City under this Agreement. The City has relied on each of these factors, among others, in choosing FRANCHISEE to perform the services to be rendered by FRANCHISEE under this Agreement.

b. Any franchise granted is a privilege to be held in trust by FRANCHISEE. A franchise issued by City shall not be transferred, sold, leased, assigned, or relinquished, or delegated to another person, either in whole or in part, whether by forced sale, merger, consolidation, bankruptcy laws or otherwise, without the prior approval of City. This restriction includes the transfer of ownership of the FRANCHISEE, or a majority of the ownership or control of the FRANCHISEE, or the conveyance of a majority of the FRANCHISEE's stock to a new controlling interest. Franchises shall become void upon the abandonment of same by the FRANCHISEE. The City Council shall not unreasonably withhold approval of a franchise assignment, provided that such assignment does not unreasonably impact competition and the assignee is qualified to perform its obligations as required by this Agreement.

c. FRANCHISEE shall promptly notify the Administrator in writing in advance of any proposed assignment, sale, or transfer. In the event the City Council approves of any assignment, sale, or transfer, said approval shall not relieve FRANCHISEE of any of its obligations or duties under this Agreement unless this Agreement is modified in writing to that effect.

Section 28. Binding on Successors.

The provisions of this Agreement shall inure to the benefit of and be binding upon the authorized successors and assigns of the parties.

Section 29. Waiver.

The waiver by either party of any breach or violation of any provision of this Agreement shall not be deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach or violation of the same or any other provision.

The subsequent acceptance by either party of any monies which become due hereunder shall not be deemed to be a waiver of any preexisting or concurrent breach or violation by the other party of any provision of this Agreement.

Section 30. Franchisee's Investigation.

FRANCHISEE has made its own independent investigation and satisfied itself as to the conditions and circumstances surrounding the Agreement and the work to be performed hereunder.

Section 31. Notice.

The parties agree that in the event the City determines to change the system from a non-exclusive franchise system to an exclusive franchise system, FRANCHISEE shall be entitled to a further extension of this franchise pursuant to Public Resources Code section 49520 and may exercise all of FRANCHISEE's rights during said period. This Agreement does not affect the rights or obligations of the parties under Sections 49520 through 49524 of the Public Resources Code.

Section 32. Entire Agreement.

This Agreement, including the Exhibits, represents the full and entire Agreement between the parties with respect to the matters covered herein.

Section 33. Interpretation.

This Agreement shall be interpreted and construed reasonably, neither for nor against either party, regardless of the degree to which either party participated in its drafting.

Section 34. Amendment.

This Agreement may not be modified or amended in any respect except by a written agreement duly approved and signed by the parties.

Section 35. Severability.

If any nonmaterial provision of this Agreement is for any reason deemed to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not

Section 34. Amendment.

This Agreement may not be modified or amended in any respect except by a written agreement duly approved and signed by the parties.

Section 35. Severability.

If any nonmaterial provision of this Agreement is for any reason deemed to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect the remaining provisions of this Agreement which shall be enforced to the greatest extent possible.

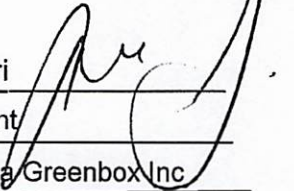
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

City of Lincoln

By: 

Sean Scully, City Manager

FRANCHISEE

By Marc Ferrari 

Title President

Company Ferma Greenbox Inc



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/26/2025

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 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 LIC #0L72977 1-888-845-2248
McSherry & Hudson, An Alera Group Company1901 S. Bascom Avenue
Suite 1190
Campbell, CA 95008 USA
Charles M. GriswoldINSURED
Ferma Greenbox, Inc.6647 Smith Avenue
Newark, CA 94560 USA

CONTACT

NAME:

PHONE (A/C, No. Ext): 408-550-2130

FAX (A/C, No): 408-550-2119

E-MAIL
ADDRESS:

INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A: STARR IND & LIAB CO

38318

INSURER B: HOMESITE INS CO

17221

INSURER C: Upland Specialty Ins Co

16988

INSURER D: NAVIGATORS SPECIALTY INS CO

36056

INSURER E: GOTHAM INS CO

25569

INSURER F:

COVERAGES

CERTIFICATE NUMBER: 751827555

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 INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY	X	X	1000025823241	10/01/24	10/01/25	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 10,000
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG \$ 2,000,000
	<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC						\$
A	AUTOMOBILE LIABILITY	X	X	1000198707241	10/01/24	10/01/25	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS						BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident) \$
							\$
B	UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE		CXP-010622-02	10/01/24	10/01/25	EACH OCCURRENCE \$ 5,000,000
	DED <input type="checkbox"/> RETENTION \$ <input type="checkbox"/>						AGGREGATE \$ 5,000,000
							FOLLOW FORM \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY		X	1000004374	10/01/24	10/01/25	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N <input checked="" type="checkbox"/> N	N/A				E.L. EACH ACCIDENT \$ 1,000,000
	DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
C	Excess over Excess			USXSL0114324	10/01/24	10/01/25	E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Excess over Excess			SF24EXCZ09A3NIC	10/01/24	10/01/25	Each Occ/Aggregate 5M/5M
E	Excess Liability			EX202400002752	10/01/24	10/01/25	Occur/Agg 10M/10M
							Limit 5,000,000

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

RE: All California Operations

Additional Insureds: City of Lincoln, its officers, employees, agents, and contractors.

CERTIFICATE HOLDER

CANCELLATION

City of Lincoln

600 Sixth St

Lincoln, CA 95648

USA

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

ACORD 25 (2010/05)

CLewis

751827555

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SUPPLEMENT TO CERTIFICATE OF INSURANCE

DATE
03/26/2025

NAME OF INSURED: Ferma Greenbox, Inc.

Additional Description of Operations/Remarks from Page 1:

Professional Liability-

Carrier:Tokio Marine Specialty Insurance Company

Policy #PPK2609311-001

10/01/2024 to 10/01/2025

Limit:

Single- \$10,000,000

Aggregate-\$10,000,000

Pollution Liability-

Carrier: Tokio Marine Specialty Insurance Company

Policy #PPK2609311-001

10/01/2024 to 10/01/2025

Limit:

Single- \$10,000,000

Aggregate-\$10,000,000

Additional Information:

Includes:

General Liability:

Additional Insured per forms attached

Coverage is Primary as required by written contract per form attached

Per Project Aggregate per attached form.

Waiver of Subrogation as required by written contract per attached form

Automobile Liability:

Additional Insured per attached form

Primary and Non-Contributory Wording per attached form

Waiver of Subrogation per attached form

Workers Compensation:

Waiver of Subrogation per attached form



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Omnibus Additional Insured – Owners, Lessees or Contractors – Completed Operations Endorsement

Policy Number: 1000025823241
Named Insured: Ferma Corporation

Effective Date: 10/01/2024

This endorsement modifies the insurance coverage form(s) listed below that have been purchased by you and evidenced as such on the Declarations page. Please read the endorsement and respective policy(ies) carefully.

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is hereby agreed as follows:

1. The following applies to construction contracts requiring:
 - a. ISO Additional Insured endorsement CG 20 37 10 01; or
 - b. ISO Additional Insured – Owners, Lessees or Contractors- (Form B) endorsement CG 20 10 11 85 or its equivalenton the insurance policy:

SCHEDULE

Name of Person or Organization: Where Required By Written Contract
Location and Description of Completed Operations: Where Required By Written Contract
Additional Premium: Included

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Section II – Who Is An Insured is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" at the location designated and described in the schedule of this endorsement performed for that insured and included in the "products-completed operations hazard".



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

2. Subject to paragraph 1. above, the following applies to construction contracts requiring ISO Additional Insured endorsement CG 20 37 07 04 on the insurance policy:

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
Where Required By Written Contract	Where 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".

3. Subject to paragraphs 1. and 2. above, the following applies to all other construction contracts, including specifically those contracts requiring ISO Additional Insured endorsement CG 20 37 04 13 on the insurance policy:

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
Where Required By Written Contract	Where Required By Written Contract
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

- A. **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".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are

required by the contract or agreement to provide for such additional insured.

- B. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance**:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;


whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

All other terms and conditions of this Policy remain unchanged.

Signed for STARR INDEMNITY & LIABILITY COMPANY


Steve Blakey, President


Nehemiah E. Ginsburg, General Counsel



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Omnibus Additional Insured – Owners, Lessees or Contractors – Scheduled Person or Organization Endorsement

Policy Number: 1000025823241
Named Insured: Ferma Corporation

Effective Date: 10/01/2024

This endorsement modifies the insurance coverage form(s) listed below that have been purchased by you and evidenced as such on the Declarations page. Please read the endorsement and respective policy(ies) carefully.

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is hereby agreed as follows:

1. The following applies to construction contracts requiring:
 - a. ISO Additional Insured endorsement CG 20 10 10 01; or
 - b. ISO Additional Insured – Owners, Lessees or Contractors- (Form B) endorsement CG 20 10 11 85 or its equivalenton the insurance policy:

SCHEDULE

Name of Person or Organization:

Where Required By Written Contract

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A. Section II – Who Is An Insured** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.
- B. With respect to the insurance afforded to these additional insureds, the following exclusion is added:**
- 2. Exclusions**

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

- (1)** 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 site of



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

the covered operations has been completed; or

- (2) 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.

2. Subject to paragraph 1. above, the following applies to construction contracts requiring ISO Additional Insured endorsement CG 20 10 07 04 on the insurance policy:

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations
Where Required By Written Contract	Where Required By Written Contract
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. 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", "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(s) at the location(s) designated above.

B. 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:

1. 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
2. That portion of "your work" out of which the injury or damage arises has been



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

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.

3. Subject to paragraphs 1. and 2. above, the following applies to all other construction contracts, including specifically those contracts requiring ISO Additional Insured endorsement CG 20 10 04 13 on the insurance policy:

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations
Where Required By Written Contract	Where Required By Written Contract
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. 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", "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(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and

2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. 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:



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

1. 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
2. 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.

- C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance**:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:


1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;


whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

All other terms and conditions of this Policy remain unchanged.

Signed for STARR INDEMNITY & LIABILITY COMPANY


Steve Blakey, President


Nehemiah E. Ginsburg, General Counsel



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Primary and Non-Contributory Condition

Policy Number: 1000025823241

Effective Date: 10/01/2024

Named Insured: Ferma Corporation

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

A. SECTION IV – CONDITIONS, condition 4. Other Insurance is amended as follows:

1. The following is added to paragraph 4.a. of the **Other Insurance** condition:

This insurance is primary insurance as respects our coverage to the additional insured, where the written contract or written agreement requires that this insurance be primary and non-contributory. In that event, we will not seek contribution from any other insurance policy available to the additional insured on which the additional insured is a Named Insured.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

Signed for **STARR INDEMNITY & LIABILITY COMPANY**


Steve Blakey, President


Nehemiah E. Ginsburg, General Counsel

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Person Or Organization:

Any person or organization to whom you become obligated to waive your rights of recovery against, under any contract or agreement you enter into prior to the occurrence of loss.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of Section IV – Conditions:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED CONSTRUCTION PROJECT(S) GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designated Construction Project(s):

Where Required by Written Contract

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A, and for all medical expenses caused by accidents under Section I – Coverage C, which can be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:

1. A separate Designated Construction Project General Aggregate Limit applies to each designated construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
2. The Designated Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage C regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".

3. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the Designated Construction Project General Aggregate Limit for that designated construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project General Aggregate Limit for any other designated construction project shown in the Schedule above.

4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Construction Project General Aggregate Limit.

B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A, and for all medical expenses caused by accidents under Section I – Coverage C, which cannot be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:

1. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and

2. Such payments shall not reduce any Designated Construction Project General Aggregate Limit.
- C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Construction Project General Aggregate Limit.
- D. If the applicable designated construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.
- E. The provisions of Section III – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – AUTOMATIC STATUS
AMENDATORY ENDORSEMENT**

Policy Number: 1000198707241

Effective Date: 10/1/2024

Named Insured: FERMA CORPORATION

This endorsement modifies the insurance coverage form(s) listed below that have been purchased by you and evidenced as such on the Declarations page. Please read the endorsement and respective policy(ies) carefully.

**AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM**

It is hereby agreed that **SECTION II – COVERED AUTOS LIABILITY COVERAGE, A. COVERAGE, 1. Who Is An Insured** of the Business Auto Coverage Form and Motor Carrier Coverage Form, and **SECTION I – COVERED AUTOS COVERAGES, D. Covered Autos Liability Coverage, 2. Who Is An Insured** of the Auto Dealers Coverage Form are amended to include the following:

Any person or organization whom you become obligated to include as an additional insured under this policy, as a result of any written contract or written agreement you enter into which requires you to furnish insurance to that person or organization of the type provided by this policy, but only with respect to liability arising out of use of a covered "auto". However, the insurance provided will not exceed the less of:

- (1)** The coverage and/or limits of this policy, or
- (2)** The coverage and/or limits required by such written contract or written agreement.

All other terms and conditions of this Policy remain unchanged.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**INSURANCE PRIMARY AS TO CERTAIN ADDITIONAL INSURED
AMENDATORY ENDORSEMENT**

Policy Number: 1000198707241

Effective Date: 10/1/2024

Named Insured: FERMA CORPORATION

This endorsement modifies the insurance coverage form(s) listed below that have been purchased by you and evidenced as such on the Declarations page. Please read the endorsement and respective policy(ies) carefully.

BUSINESS AUTO COVERAGE FORM

SECTION IV – BUSINESS AUTO CONDITIONS, B. General Conditions, 5. Other Insurance, c., is amended by the addition of the following:

The insurance afforded under this policy to an additional insured will apply as primary insurance for such additional insured where so required under an agreement executed prior to the date of accident. We will not ask any insurer that has issued other insurance to such additional insured to contribute to the settlement of loss arising out of such accident.

All other terms and conditions of this Policy remain unchanged.

POLICY NUMBER: 1000198707241

COMMERCIAL AUTO
CA 04 44 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: FERMA CORPORATION

Endorsement Effective Date: 10/1/2024

SCHEDULE

Name(s) Of Person(s) Or Organization(s):

Where Required by Written Contract

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The Transfer Of Rights Of Recovery Against Others To Us condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2.0% of the California workers' compensation premium otherwise due on such remuneration.

Schedule**Person or Organization**

Any person or organization to whom you become obligated to waive your rights of recovery against, under any contract or agreement you enter into prior to the occurrence of loss.

Job Description

Where Required By Written Contract

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective: 10/01/24

Policy No.: 1000004374

Endorsement No.:

Insured: Ferma Corporation

Premium:

Insurance Company: STARR INDEMNITY & LIABILITY CO

Countersigned by: _____