PolicyNumber: ATN2036868 **VEN 105 00 (02/20)**
InsuredName: Platinum Team Management, Inc.
Number: **Effective Date:**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PREMIUM BASIS

This endorsement modifies insurance provided under the following:

The following definitions apply to the Premium Basis shown in the Declarations.

A. ADMISSIONS

1. Definition:

The total number of persons, other than employees of the Named Insured, admitted to the event insured or to events conducted on the premises whether on paid admissions, tickets, complimentary tickets or passes.

2. Application:

The rates apply per 1,000 Admissions.

B. SQUARE FEET

1. Definition:

The total number of Square Feet of floor space at the insured premises, computed as follows:

a. For entire buildings, by multiplying the product of the horizontal dimensions of the outside of the outer building walls by the number of floors, including basements but do not use the area of the following:

(1) Courts and mezzanine types of floor openings.

(2) Portions of basements or floors where 50% or more of the area is used for shop or storage for building maintenance, dwelling by building maintenance employees, heating units, power plants or air-conditioning equipment.

b. For tenants, determine the area they occupy in the same manner as for entire buildings.

2. Application:

The rates apply per 1,000 Square Feet of area.

C. EACH

This basis or premium involves units of exposure, and the quantity comprising each unit of exposure is indicated in the classification footnotes, such as “per person”.

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D. GALLONS

1. Definition

The basis of premium is the total number of gallons sold or distributed.

Specifically for Gas Dealers and Distributors – where a record of the number of gallons sold is not available, the number of gallons to be used for premium computation purposes shall be determined by dividing the number of pounds sold by 4.6.

2. Exclusions

Specifically for Gas Dealers and Distributors - distribution of gas transferred to gas dealers by pipeline, gas mains or piping.

3. Application:

The rates apply per 1,000 Gallons.

E. GROSS RECEIPTS

1. Definition:

The gross amount charged by the Named Insured, concessionaires of the Named Insured or by others trading under the insured's name for:

a. All goods or products, sold or distributed;

b. Operations performed during the policy period;

c. Rentals; and

d. Dues or fees.

2. Inclusions:

The following items shall not be deducted from “gross sales” as determined above:

a. Foreign exchange discounts;

b. Freight allowance to customers;

c. Total sales of consigned goods and warehouse receipts;

d. Trade or cash discounts;

e. Bad debts; and

f. Repossession of items sold on installments (amount actually collected).

3. Application:

The rates apply per $1,000 of Gross Receipts.

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F. PAYROLL

1. Definition:

a. Payroll means remuneration.

b. Remuneration means money or substitutes for money.

2. Inclusions

Payroll includes the following items:

a. Commissions;

b. Bonuses;

c. Extra pay for overtime work, except as provided in paragraph **4.** below;

d. Pay for holidays, vacations or periods of sickness;

e. Payment by an employer of amounts otherwise required by law to be paid by employees to statutory insurance or pension plans, such as the Federal Social Security Act;

f. Payment to employees on any basis other than time worked, such as piece work, profit sharing or incentive plans;

g. Payment or allowance for hand tools or power tools used by hand provided by employees and used in their work or operations for the insured;

h. The rental value of an apartment or a house provided for an employee based on comparable accommodations;

i. The value of lodging, other than an apartment or house, received by employees as part of their pay, to the extent shown in the insured's records;

j. The value of meals received by employees as part of their pay to the extent shown in the insured's records;

k. The value of store certificates, merchandise, credits or any other substitute for money received by employees as part of their pay;

l. The Payroll of “mobile equipment” operators and their helpers, whether or not the operators are designated or licensed to operate “autos” or “mobile equipment”. If the operators and their helpers are provided to the insured along with equipment hired under contract and their actual Payroll is not known, use 1/3 of the total amount paid out by the insured for the hire of the equipment;

m. The Payroll of executive officers of a corporation and individual insureds and co-partners. For the purposes of Payroll determination, managers of limited liability companies shall be considered executive officers and members of limited liability companies shall be considered co-partners.

The executive officers of a corporation are those persons holding any of the officer positions created by the Named Insured’s charter, constitution or by-laws or any other similar governing document.

The Payroll of all executive officers of an corporation and individual insureds or co-partners engaged principally in clerical operations or as salespersons, and officers and co-partners who are inactive for the entire policy period shall not be included for premium purposes.

For part-time or seasonal businesses the Payroll amounts may be reduced by 2 percent for each full calendar week in excess of twelve during which the risk performs not operations.

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n. The Payroll of leased workers furnished to the Named Insured by a labor leasing firm. Premium on such Payroll shall be based on the classifications and rates which would have applied if the leased workers had been the direct employees of the Named Insured. If Payroll is unavailable, use 100% of the total cost of the contract for leased workers as the Payroll of leased workers. The premium shall be charged on that amount as Payroll.

If investigation of a specific employee leasing contract discloses that a definite amount of the contract price represents Payroll, such amount shall be considered Payroll for the premium computation purposes.

o. Fees paid to employment agencies for temporary personnel provided to the insured.

3. Exclusions

Payroll does not include:

a. Payments by an employer to group insurance or group pension plans for employees, other than payments covered by paragraph **2.e.** above;

b. The Payroll of clerical office employees;

Clerical office employees are those employees who work in an area which is physically separated by walls, floors or partitions from all other work areas of the insured and whose duties are strictly limited to keeping the insured's books or records or conducting correspondence, including any other employees engaged in clerical work in the same area.

c. The Payroll of salespersons, collectors or messengers who work principally away from the insured's premises. Salespersons, collectors or messengers are those employees engaged principally in any such duties away from the premises of the employer;

4. Application

The rates apply per $1,000 of Payroll.

G. TOTAL COST

1. Definition

All Construction Costs related to the physical construction of the project are considered

Hard Construction costs; including:

a. Infrastructure including on and offsite utilities, streets & driveways, demolition, and rough & fine grading and landscaping

b. Direct construction costs including labor and materials

c. General requirements including temporary power, security, fencing, sanitation, site maintenance and onsite offices.

d. Hard cost contingency

e. Construction related professional fees – architects, engineers, surveyors, etc.

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2. Soft Costs to be Exclided Costs Are:

a. Permit & Zoning Fees, and Inspection Costs and Fees

b. Insurance Costs

c. Land Acquisition Cost

d. Loan Fees & Interest

e. Closing Costs & Real Estate Commissions paid

f. Legal & Accounting Fees

g. Warranty Expenses

h. Marketing & Advisertising Costs

i. HOA Reserve Study Costs

j. Sales Ta

3. Application

The rates apply per $1,000 of Total Cost.

H. TOTAL OPERATING EXPENDITURES

1. Definition

Total expenditures (including grants, entitlements and shared revenue) without regard to source of revenue during the policy period, including accounts payable.

2. Inclusions

The following items are included in Total Operating Expenditures:

a. Capital improvements - Work performed by the named insured in connection with any purchase or improvement of any individual item of personal or real property which is bonded or financed, including interest thereon, or exceeds 5% of Total Operating Expenditures;

b. Expenditures for independent contractors operations when the contractor does not carry adequate insurance;

c. Any federal or state funds for the sole purpose of training employees unless a separate policy with adequate coverage and limits has been issued in the name of the governing body of such funds with the governmental entity named as an additional insured or a hold harmless agreement in favor of the governmental subdivision exists.

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3. Accounting Terminology

The following are explanations of accounting terminology used in the definition of Total Operating Expenditures or addressed in the inclusions or exclusions.

a. Grant - A contribution or gift by one governmental unit to another unit. It can be cash or other assets. The contribution is usually made to aid in the support of a specific function, for example, education, but it is sometimes for general purposes.

Capital grants are restricted for the acquisition and/or construction of fixed (capital) assets. All other grants are operating grants.

b. Entitlement - The amount of payment to which a political subdivision is entitled as determined by the Federal Government, for example, revenue sharing.

c. Shared Revenue - A revenue levied by one government but shared on a predetermined basis with another government or class of government, often in proportion to the amount collected at the local level.

d. Budget - The budget for a government subdivision consists of a series of Funds (basically, a minibudget) where a Fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, reserves and equities. Transfer of funds should be excluded from the expenditures of the transferor (for example, included in the expenditures of the recipient).

Most of the expenditures for items to be excluded from or included in Total Operating Expenditures can be found as entries in the following Funds:

(1) General Fund - Used to account for all financial resources except those required to be accounted for in another fund. It would be used for all general governmental operations such as administration, public works, parks, recreation and education. If there are education expenditures, a separate education fund is established which falls under the general fund heading.

The General Fund is used to account for the ordinary operations of a governmental unit which is financed from taxes and other general revenues.

(2) Special Revenue Funds - To account for the proceeds of specific revenue sources (other than special assessment, expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes. An example is a motor fuel tax fund used to finance highway and road construction.

(3) Capital Projects Funds (Bond Funds) - To account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Propriety Funds, Special Assessment Funds and Trust Funds).

(4) Debit Service Fund (formerly called a Sinking Fund) - To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

(5) Special Assessment Fund - To finance and account for the construction of improvements or provision of services which are to be paid for, wholly or in part, from special assessments levied against the benefited property. An example is the construction of sewer lines.

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(6) Enterprise Fund - To finance and account for the acquisition, operation and maintenance of governmental facilities and services which are entirely or predominantly self-supporting by user charges. Examples of facilities and services are water, gas and electric utilities, swimming pools, airports, parking garages and transit systems.

(7) Intra-governmental Services Fund (formerly called a Working Capital Fund) - To finance and account for services and commodities furnished by a designated department or agency to other departments and agencies within a single governmental unit. Amounts expended by the fund are restored either from operating earnings or by transfers from other funds, so that the original fund capital is kept intact.

5. Application

The rates apply per $1,000 of Total Operating Expenditures.

I. UNITS

A single room or group of rooms intended for occupancy as separate living quarters by a family, by a group of unrelated persons living together, or by a person living alone.

J. CONSTRUCTION COSTS

1. Definition:

"Construction Costs" means the total cost for all work performed during the policy period by you or for you by independent contractors and/or subcontractors at all levels.

2. Inclusions:

The following items are included in Construction Costs

a. The cost of all labor, materials, equipment and supplies furnished, used or delivered for use in the execution of such work, whether furnished by the owner, by the contractors, or by subcontractors at any level.
b. General conditions, contingency fees, overhead and profit.

3. Exclusions:

Soft costs, including but not limited to, the cost of land acquisition, financing (including lender's fees), insurance premiums, attorneys, environmental audits, architectural fees, engineering fees, design costs, permitting costs, consulting costs and other associated fees shall be deducted from Construction Costs.

4. Application:

The rates apply per $1,000 of Construction Costs.

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