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April 14, 2016

**Addendum No. 1  
 TO INVITATION FOR BID  
 Electronic Toll Collection (FasTrak®) Switchable Toll Tags  
 Dated April 13, 2016**

Dear Supplier:

This letter is Addendum No. 1 to the Invitation for Bid (IFB) for Electronic Toll Collection (FasTrak®) Switchable Toll Tags, dated April 13, 2016. Where existing provisions of the IFB are modified, deleted text is shown in strike-through format, added text is *italicized*. The IFB is revised as follows:

<u>Addendum Item</u>	<u>Reference</u>	<u>Change(s)</u>
1.	IFB, Table of Contents,	IFB, Table of Contents is deleted in its entirety and replaced with the attached Table of Contents.
2.	IFB	<i>Appendix F, Insurance and Financial Security (Bond) Provisions</i> , is added as attached.

The remaining provisions of the IFB remain unchanged. In the event of a conflict between any provision of this Addendum and the previous IFB, this Addendum shall prevail.

Any questions concerning this addendum to the IFB should be directed to Mey Phu, BATA Project Manager, at (510) 817-613 or mphu@mtc.ca.gov.

Sincerely,

Andrew B. Fremier  
 Deputy Executive Director, Operations

ABF: mb

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**APPENDIX F, Insurance and Financial Security (Bond) Provisions**

1. INSURANCE

A. Minimum Coverages. The insurance requirements specified in this section shall cover SUPPLIER's own liability and the liability arising out of work or services performed under this Agreement by any subcontractors, suppliers, temporary workers, independent contractors, leased employees, or any other persons, firms or corporations that SUPPLIER authorizes to work under this Agreement (hereinafter referred to as "Agents.") SUPPLIER shall, at its own expense, obtain and maintain in effect at all times during the life of this Agreement the following types of insurance against claims, damages and losses due to injuries to persons or damage to property or other losses that may arise in connection with the performance of work under this Agreement.

SUPPLIER is also required to assess the risks associated with work to be performed by Agents under subcontract and to include in every subcontract the requirement that the Agent maintain adequate insurance coverage with appropriate limits and endorsements to cover such risks. To the extent that an Agent does not procure and maintain such insurance coverage, SUPPLIER shall be responsible for said coverage and assume any and all costs and expenses that may be incurred in securing said coverage or in fulfilling SUPPLIER's indemnity obligation as to itself or any of its Agents in the absence of coverage.

In the event SUPPLIER or its Agents procure excess or umbrella coverage to maintain certain requirements outlined below, these policies shall also satisfy all specified endorsements and stipulations, including provisions that SUPPLIER's insurance be primary without right of contribution from BATA. Prior to beginning work under this contract, SUPPLIER shall provide BATA with satisfactory evidence of compliance with the insurance requirements of this section.

1. Workers' Compensation Insurance with Statutory limits, and Employer's Liability insurance with a limit of not less than \$1,000,000 per employee and \$1,000,000 per accident, and any and all other coverage of SUPPLIER's employees as may be required by applicable law. Such policy shall contain a Waiver of Subrogation in favor of BATA. Such Workers Compensation & Employers Liability may be waived, if and only for as long as SUPPLIER is a sole proprietor or a corporation with stock 100% owned by officers with no employees.

2. Commercial General Liability Insurance for Bodily Injury and Property Damage liability, covering the operations of SUPPLIER and SUPPLIER's officers, agents, and employees and with limits of liability which shall not be less than \$4,000,000 combined single

limit per occurrence with a general aggregate liability of not less than \$4,000,000, and Personal & Advertising Injury liability with a limit of not less than \$4,000,000. Such policy shall contain a Waiver of Subrogation in favor of BATA.

BATA is to be named as an additional insured. Such insurance shall be primary and contain a Separation of Insureds Clause as respects any claims, losses or liability arising directly or indirectly from SUPPLIER's operations.

B. Acceptable Insurers. All policies will be issued by insurers acceptable to BATA, generally with a Best's Rating of A-VIII or better.

C. Self-Insurance. SUPPLIER's obligation hereunder may be satisfied in whole or in part by adequately funded self-insurance, upon evidence of financial capacity satisfactory to BATA.

D. Deductibles and Retentions. SUPPLIER shall be responsible for payment of any deductible or retention on SUPPLIER's policies without right of contribution from BATA. Deductible and retention provisions shall not contain any restrictions as to how or by whom the deductible or retention is paid. Any deductible or retention provision limiting payment to the Named Insured is unacceptable.

In the event that BATA seeks coverage as an additional insured under any SUPPLIER insurance policy that contains a deductible or self-insured retention, SUPPLIER shall satisfy such deductible or self-insured retention to the extent of loss covered by such policy, for any lawsuit arising from or connected with any alleged act of SUPPLIER, subcontractor, or any of their employees, officers or directors, even if SUPPLIER or subcontractor is not a named defendant in the lawsuit.

E. Claims Made Coverage. If any insurance specified above is written on a "Claims-Made" (rather than an "occurrence") basis, then in addition to the coverage requirements above, SUPPLIER shall:

- (1) Ensure that the Retroactive Date is shown on the policy, and such date must be before the date of this Agreement or the beginning of any work under this Agreement;
- (2) Maintain and provide evidence of similar insurance for at least three (3) years following project completion, including the requirement of adding all additional insureds; and
- (3) If insurance is cancelled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the Agreement effective date, SUPPLIER shall purchase "extended reporting" coverage for a minimum of three (3) years after completion of the work.

F. **Failure to Maintain Insurance.** All insurance specified above shall remain in force until all work or services to be performed are satisfactorily completed, all of SUPPLIER's personnel, subcontractors, and equipment have been removed from BATA's property, and the work or services have been formally accepted. SUPPLIER must notify BATA if any of the above required coverages are non-renewed or cancelled. The failure to procure or maintain required insurance and/or an adequately funded self-insurance program will constitute a material breach of this Agreement.

G. **Certificates of Insurance.** Prior to commencement of any work hereunder, SUPPLIER shall deliver to BATA Certificates of Insurance verifying the aforementioned coverages. Such certificates shall make reference to all provisions and endorsements referred to above and shall be signed on behalf of the insurer by an authorized representative thereof.

H. **Disclaimer.** The foregoing requirements as to the types and limits of insurance coverage to be maintained by SUPPLIER are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by SUPPLIER pursuant hereto, including, but not limited to, liability assumed pursuant to the Indemnification section of the Agreement.

## 2. ADDITIONAL INSURED

The following entity is to be named as an Additional Insured under applicable sections of this Appendix.

- 1) Bay Area Toll Authority (BATA)