

AGREEMENT NO. 08-015(3)

AMENDMENT NUMBER 3 TO AGREEMENT NO. 08-015

**EXCLUSIVE AGREEMENT BETWEEN THE CITY OF BAKERSFIELD AND
REDFLEX TRAFFIC SYSTEMS, INC.**

THIS AMENDMENT NO. 3 TO AGREEMENT NO. 08-015 ("Third Amendment") is made and entered into on AUG 12 2015, by and between **CITY OF BAKERSFIELD**, a municipal corporation ("City" herein) and **REDFLEX TRAFFIC SYSTEMS INC.** ("Customer" herein).

RECITALS

WHEREAS, the City and Customer executed the Exclusive Agreement for Photo Red Light Enforcement Program on January 16, 2008 (the "Original Agreement");

WHEREAS, the Original Agreement was amended on July 15, 2009 (the "First Amendment") and June 4, 2014 (the "Second Amendment") (collectively, with the Original Agreement, the "Agreement"); and,

WHEREAS, the City and Customer desire to extend the Term of the Agreement and modify the Agreement to reflect changes to the Program.

NOW, THEREFORE, incorporating the foregoing recitals herein, City and Customer mutually agree to amend Agreement No. 08-015 as follows:

1. Section 1 of Agreement No. 08-015 entitled "DEFINITIONS" is hereby amended to read as follows:

DEFINITIONS.

1.34 "Existing Designated Intersection Approaches" means the Designated Intersection Approaches that were installed and in operation prior to the Effective Date of the Third Amendment.

1.35 "New Designated Intersection Approaches" means the Designated Intersection Approaches that will be installed and in operation after the Effective Date of the Third Amendment.

1.36 "REDFLEXhalo® System" ("HALO") means Redflex's intelligent collision preemption system integrated technology that dynamically extends all red clearance intervals.

2. Section 2 of Agreement No. 08-015 entitled "TERM" is hereby amended to read as follows:

TERM.

The term of this Agreement is extended for five (5) years commencing on the date the Effective Date (the "Initial Term"). The City has the right, but not the obligation, to extend the Initial Term of the Agreement for one (1) additional two (2) year period following the expiration of the Initial Term (the "Renewal Term"). The City may exercise the right not to extend the Initial Term for the Renewal Term by providing written notice to Redflex not less than thirty (30) days prior to the last day of the Initial Term.

3. Exhibit "A" to the Agreement entitled "STATEMENT OF WORK" is hereby amended as follows:

STATEMENT OF WORK.

Exhibit "A" to the Agreement is deleted in its entirety and replaced with the attached Exhibit "A".

4. Exhibit "D" to the Agreement entitled "PRICING" is hereby amended as follows:

PRICING.

Exhibit "D" to the Agreement is deleted in its entirety and replaced with the attached Exhibit "D".

5. Exhibit "C" to the Agreement entitled "MAINTENANCE" is hereby amended as follows:

MAINTENANCE.


Section 6 of Exhibit "C" is removed.


6. Except as amended herein, all other provisions of Agreement No. 08-015 shall remain in full force and effect, to the extent that this Third Amendment conflicts with the terms of the Agreement, this Third Amendment shall control.

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to be executed, the day and year first-above written.


"CITY"
CITY OF BAKERSFIELD

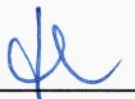
"CONTRACTOR"
REFLEX TRAFFIC SYSTEMS, INC.

By: 
HARVEY L. HALL
Mayor

By: 
Type or Print Name: Michael R. Finn
Title: CEO and President

APPROVED AS TO FORM:
VIRGINIA GENNARO
City Attorney

By: 
RICHARD IGER
Deputy Attorney

Insurance: 

APPROVED AS TO CONTENT:
BAKERSFIELD POLICE DEPARTMENT

By: 
GREG WILLIAMSON
POLICE CHIEF

COUNTERSIGNED:

By: 
NELSON SMITH
Finance Director



Attachments: Exhibit "A" & Exhibit "D"



EXHIBIT "A"
STATEMENT OF WORK

The contract is for the continued operational services of the following twelve (12) Existing Designated Intersection Approaches:

Chester and Brundage, Northbound
Coffee and Truxtun, Straight-Through lanes, Southbound
Coffee and Truxtun, Turn-lanes, Southbound
California Avenue and Oak Street, Eastbound
California Avenue and Stockdale, Southbound
California Avenue and Stockdale, Eastbound
California Avenue and Oak Street, Northbound
Ming and Real, Westbound
Ming and Highway 99, Eastbound
Oswell and Bernard, Northbound
White Lane and Wible Road, Eastbound
White Lane and Wible Road, Southbound

The Parties may install an unlimited number of New Designated Intersection Approaches. Identification of photo enforced Intersection Approaches will be based on mutual agreement of Redflex and the City and as warranted by community safety and traffic needs.

**“EXHIBIT “D”
COMPENSATION & PRICING**

PRICING PROVISIONS AND OPTIONS:

A. Fixed Monthly Fee. Commencing on the Effective Date of the Third Amendment, the Fixed Monthly Fees for the Designated Intersection Approaches are as follows.

Tier 1: Fixed Monthly Fee of \$1,075.60 per month, per Approach for the following Existing Designated Intersection Approaches:

Chester and Brundage, Northbound
Coffee and Truxtun, Straight-Through lanes, Southbound
Coffee and Truxtun, Turn-lanes, Southbound
California Avenue and Oak Street, Eastbound

Tier 2: Fixed Monthly Fee of \$4,350.00 per month, per Approach for the following Existing Designated Intersection Approaches:

California Avenue and Stockdale, Southbound
California Avenue and Stockdale, Eastbound
California Avenue and Oak Street, Northbound
Ming and Real, Westbound
Ming and Highway 99, Eastbound
Oswell and Bernard, Northbound
White Lane and Wible Road, Eastbound
White Lane and Wible Road, Southbound

Tier 3: Fixed Monthly Fee of \$5,700.00 per month, per Approach for all New Designated Intersection Approaches installed with used Equipment.

HALO may be installed and operated at New or Existing Designated Intersection Approaches as determined by mutual agreement between Redflex and the Customer. The pricing options for HALO are as follows:

Option 1: Fixed Monthly Fee for each HALO system shall be \$500 per month per HALO system.

Option 2: The City may purchase the HALO system(s) for \$15,000 per HALO system and pay an annual licensing fee of \$250.00 per installed HALO system.

B. City Operating Costs. The City's monthly program operating costs are estimated to be \$250.00 per active Designated Intersection Approach ("City Operating Costs"). The gross cash receipts received by the City each month from the Kern County Superior Court through the collection of red light Citations shall first be applied to the City Operating Costs. In order to ensure cost neutrality to the City, City will only be obligated to pay Redflex from the gross cash receipts received from the Kern County Superior Court after first deducting the City Operating Costs. In the event that balance remains unpaid due to a deficit in gross cash received by the City compared to the invoiced amount, City will provide Redflex, with payments, an accounting of such amounts supporting nonpayment of full invoiced amount and balance remaining.

C. Cost Neutrality.

1. The City shall have the option to make payments to Redflex in accordance with the Cost Neutrality payment option. Under this option, the City may defer payment of that portion of the Fixed Monthly Fee in excess of the amount collected during that month after the deduction of the City Operating Costs, until the City has collected sufficient funds pursuant to this Agreement to pay that portion of the monthly service fee ("Deferred Monthly Fee"). A Deferred Monthly Fee shall be paid from the funds collected in the following month pursuant to this Agreement provided that sufficient funds are collected during that month to pay the Deferred Monthly Fee. Specifically, the funds collected each month pursuant to this Agreement, less the City Operating Costs, shall be applied first to any unpaid Deferred Monthly Fees and then to that month's Fixed Monthly Fee; provided, however, that the City shall never be required to pay in any month an amount in excess of the funds collected that month.

2. Redflex shall maintain an accounting of the net balance of Fixed Monthly Fees and Deferred Monthly Fees owed to Redflex. In all events, the City will not be obligated to pay the full amount of an invoice for any given month unless there is sufficient revenue collected in that month to pay all of the amounts of the prior invoices that were deferred as well as the full amount of the current month's invoice.

3. Cost Neutrality Reconciliation.

i. Cost Neutrality will be reconciled at the end of each year on the anniversary of the Effective Date ("Cost Neutrality Reconciliation"). If at that time there is an outstanding balance of Deferred Monthly Fees, the Term of the contract shall be extended by a certain number of days ("Cost Neutrality Days") based on the amount of Deferred Monthly

Fees in accordance with the formula below. Cost Neutrality Days will be calculated each year and will be added together at the end of the Term to determine the total amount of the days the Term will be extended (the "Cost Neutrality Term").

X = the total outstanding Deferred Monthly Fees for that year

Y = the average Fixed Monthly Fee for all active Designated Intersection Approaches during the year

X/Y = the ratio of the total Deferred Monthly Fees to the average Fixed Monthly Fee

$(X/Y) \times 30$ days = Cost Neutrality Days to be added to the Cost Neutrality Term for that year rounded up to the nearest full day.

ii. The outstanding balance of Deferred Monthly Fees will return to zero (\$0) at the end of each year as long as the Cost Neutrality Reconciliation process is in effect.

iii. The Cost Neutrality Term will begin upon the last the day of the Term. The Cost Neutrality Reconciliation process will not occur during the Cost Neutrality Term; however, Cost Neutrality will apply.

iv. Termination.

a. In the event of early termination pursuant to Section 6.1(i) or (ii) of this Agreement, then the total outstanding Deferred Monthly Fees from the calendar year of the termination and the Cost Neutrality Term accrued in prior years shall be waived by Redflex. The foregoing shall also apply to early termination pursuant to Section 6.1(iii) caused by Redflex's material breach of this Agreement.

b. In the event of early termination pursuant to Section 6.1(iii) of this Agreement caused by the City's material breach, then the total outstanding Deferred Monthly Fees from the calendar year of the termination shall be owed by City to Redflex, and Cost Neutrality and Cost Neutrality Reconciliation shall not apply to such sums. Furthermore the Cost Neutrality Term accrued in prior years shall begin upon the last day of the forty-five (45) day notice period described in

Section 6, effectively extending the notice and performance period by the Cost Neutrality Term.

- v. The Fixed Monthly Fees for the Cost Neutrality Term shall be based on the Fixed Monthly Fees for each operational Designated Intersection Approach for the month immediately preceding the commencement of the Cost Neutrality Term.
4. Cost Neutrality is guaranteed except as follows:
- i. If police or Authorized Employees fail to approve violations by the due date, in good faith and due diligence;
 - ii. If systems are de-activated due to City requirement;
 - iii. If collections are not reasonably pursued, unless, despite attempts by the City to encourage collections by the courts, the courts fail to pursue unpaid collections; or
 - iv. The City fails to enforce right turn violations (from automated red light violations), in good faith and due diligence, if and when systems are configured for this purpose as mutually agreed between Redflex and the City.

BUSINESS ASSUMPTIONS FOR ALL PRICING OPTIONS:

1. Redflex construction will be able to utilize existing conduit for installation where space is available.
2. Except as provided above in Section C, Cost Neutrality, the City agrees to pay Redflex within thirty (30) days after the invoice is received. A monthly late fee of 1.5% is payable for amounts remaining unpaid sixty (60) days from date of invoice.
3. The provision of all necessary communication, broadband and telephone services to the Designated Intersection Approaches will be the sole responsibility of Redflex.
4. The on-going supply of DSL or cable services to the Designated Intersection Approaches will be the sole responsibility of the City.
5. The on-going provision of any and all necessary electrical power to the Designated Intersection Approaches will be the sole responsibility of the City.
6. The City is responsible for installing required signage. The City shall be solely responsible for the fabrication, installation and maintenance of any signage, notices or other postings required pursuant to any law, rule or regulation of any Governmental Authority ("Signage"), including but not limited to, the California Vehicle Code § 21455.5(a)(1);
7. Roadway/Intersection improvement projects:
 - a. City shall reimburse Redflex the costs of replacing and or modification of operational Designated Intersection Approaches.
 - b. If a system is deactivated at the City's request due to roadway construction, the Fixed Monthly Fee will continue.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
6/12/2015

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 Arthur J. Gallagher & Co. Insurance Brokers of California, Inc. LIC #0726293 3697 Mt. Diablo Blvd., Suite 300 Lafayette CA 94549	CONTACT NAME: Certificate Department PHONE (A/C, No, Ext): 925-299-1112 E-MAIL ADDRESS: CertRequests@ajg.com	FAX (A/C, No): 925-299-0328													
	<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Liberty Insurance Corporation</td> <td>42404</td> </tr> <tr> <td>INSURER B : Westchester Surplus Lines Insurance</td> <td>10172</td> </tr> <tr> <td>INSURER C : Liberty Mutual Fire Insurance Compa</td> <td>23035</td> </tr> <tr> <td>INSURER D : LM Insurance Corporation</td> <td>33600</td> </tr> <tr> <td>INSURER E : First Liberty Insurance Corporation</td> <td>33588</td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Liberty Insurance Corporation	42404	INSURER B : Westchester Surplus Lines Insurance	10172	INSURER C : Liberty Mutual Fire Insurance Compa	23035	INSURER D : LM Insurance Corporation	33600	INSURER E : First Liberty Insurance Corporation	33588	INSURER F :
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COVERAGES **CERTIFICATE NUMBER:** 965949312 **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 SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
D	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO JECT <input type="checkbox"/> LOC <input checked="" type="checkbox"/> OTHER: CAP of \$25M	Y	TB5Z91453980035	4/1/2015	4/1/2016	EACH OCCURRENCE	\$1,000,000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$1,000,000
						MED EXP (Any one person)	\$10,000
						PERSONAL & ADV INJURY	\$1,000,000
						GENERAL AGGREGATE	\$2,000,000
						PRODUCTS - COMPIOP AGG	\$2,000,000
							\$
C	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/> COMP/COLL <input checked="" type="checkbox"/> DED*: \$5,000		AS2Z91453980025	4/1/2015	4/1/2016	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
						<- *HAPD Ded	\$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ \$10,000		TH7Z91453980045	4/1/2015	4/1/2018	EACH OCCURRENCE	\$5,000,000
						AGGREGATE	\$5,000,000
							\$
E	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	WC6Z91453980075	4/1/2015	4/1/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER	
						E.L. EACH ACCIDENT	\$1,000,000
						E.L. DISEASE - EA EMPLOYEE	\$1,000,000
						E.L. DISEASE - POLICY LIMIT	\$1,000,000
B	<input checked="" type="checkbox"/> PROFESSIONAL & CYBER LIABILITY [See attached Remarks Page]		G27435075002	4/1/2015	4/1/2018	Each Claim Aggregate	\$2,000,000 \$2,000,000

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

RE: Activities performed by or on behalf of the permittee or contractor as required by contract. ADDITIONAL INSURED(S): The City of Bakersfield, its elected and appointed boards, officers, agents, employees and volunteers.

CERTIFICATE HOLDER City of Bakersfield Public Works Department 1501 Truxtun Avenue Bakersfield CA 93301 USA	CANCELLATION 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

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AGENCY CUSTOMER ID: _____

LOC #: _____



ADDITIONAL REMARKS SCHEDULE

Page ____ of ____

AGENCY		NAMED INSURED	
POLICY NUMBER			
CARRIER	NAIC CODE	EFFECTIVE DATE:	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: _____ FORM TITLE: _____

THIRD PARTY CRIME/FIDELITY COVERAGE

Carrier: TRAVELERS CAS & SURETY CO OF AMER [A+,XV] NAIC#31194 Policy #: 105581296 | Effective: 04/01/2015 to 04/01/2016 | Limit: \$500,000
Aggregate limit for Employee Theft fo Client Property | Retention: \$50,000

PROPERTY COVERAGE

Carrier: LIBERTY MUTUAL FIRE INS CO/LIBERTY MUTUAL INSURANCE CO. [AM BEST: A,XV] NAIC#23035 Policy #: YU2-L9L-453980-065 / SFOMC10043106 | Effective: 04/01/2015 to 04/01/2016 Blanket Personal Property: \$21,885,000 | Installation - PP/PPo: \$1,000,000 | Transit: \$250,000 (Blanket Personal Property includes Personal Property of Others and Valuable Papers and records at Insured locations).

GENERAL LIABILITY:

- * Additional Insured if required by written contract per attached form LC0443 0512
- * Coverage is Primary & Non-Contributory if required by written contract per form LC0443 0512
- * Waiver of Subrogation if required by written contract per attached form LC0443 0512
- * Noticed of Cancellation if required by written contract per attached form LM9901 0511
- * Separation of Insureds applies per policy form. (Severability of Interest/Cross Liability Clause)

AUTOMOBILE LIABILITY:

- * Designated Insured if required by written contract per attached form CA2048 1013
- * Waiver of Subrogation if required by written contract per attached form AC8407 0713 (All Other)
- * Waiver of Subrogation if required by written contract per attached form AC8448 0613 (Florida)
- * Noticed of Cancellation if required by written contract per attached form LIM 99 01 05 11
- * Separation of Insureds applies per policy form. (Severability of Interest/Cross Liability Clause)
- * CA9948 and MSC90 Endorsements included.

WORKERS' COMPENSATION:

- * Waiver of Subrogation if required by written contract per attached form WC04036 0484 (California)
- * Waiver of Subrogation if required by written contract per attached form WC000313 484 (Other States)
- * Waiver of Subrogation if required by written contract per attached form WC420304 1084 (Texas)
- * Noticed of Cancellation if required by written contract per attached form WM9018 0611

EXCESS LIABILITY:

- * Underlying Policies: General Liability, Automobile Liability, and Employers' Liability
- * Noticed of Cancellation if required by written contract per attached form LM9901 0511
- * Separation of Insureds applies per policy form. (Severability of Interest/Cross Liability Clause)



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL GENERAL LIABILITY ENHANCEMENT FOR CONTRACTORS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Index of modified items:

- Item 1. **Reasonable Force**
- Item 2. **Non-Owned Watercraft Extension**
- Item 3. **Damage To Premises Rented To You - Expanded Coverage**
- Item 4. **Bodily Injury To Co-Employees**
- Item 5. **Health Care Professionals As Insureds**
- Item 6. **Knowledge Of Occurrence**
- Item 7. **Notice Of Occurrence**
- Item 8. **Unintentional Errors And Omissions**
- Item 9. **Bodily Injury Redefinition**
- Item 10. **Supplementary Payments – Increased Limits**
- Item 11. **Property In Your Care, Custody Or Control**
- Item 12. **Mobile Equipment Redefinition**
- Item 13. **Newly Formed Or Acquired Entities**
- Item 14. **Blanket Additional Insured Where Required By Written Contract**
 - Lessors of Leased Equipment
 - Managers or Lessors of Premises
 - Mortgagees, Assignees or Receivers
 - Owners, Lessees or Contractors
 - Architects, Engineers or Surveyors
 - Any Person or Organization
- Item 15. **Blanket Additional Insured – Grantors Of Permits**
- Item 16. **Waiver Of Right Of Recovery By Written Contract Or Agreement**
- Item 17. **Other Insurance Amendment**
- Item 18. **Contractual Liability - Railroads**

Item 1. Reasonable Force

Exclusion a. of Section I - Coverage A - Bodily Injury And Property Damage Liability is replaced by the following:

a. Expected Or Intended Injury

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

Item 2. Non-Owned Watercraft Extension

Paragraph (2) of Exclusion g. of Section I - Coverage A - Bodily Injury And Property Damage Liability is replaced by the following:

(2) A watercraft you do not own that is:

- (a) Less than 55 feet long; and
- (b) Not being used to carry persons or property for a charge;

Item 3. Damage To Premises Rented To You - Expanded Coverage

- A. The final paragraph of 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability is replaced by the following:

Exclusions c. through n. do not apply to damage by fire, lightning or explosion or subsequent damages resulting from such fire, lightning or explosion including water damage to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III - Limits Of Insurance.

- B. Paragraph 6. of Section III – Limits Of Insurance is replaced by the following:

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

The Damage To Premises Rented To You Limit is the greater of:

- a. \$300,000; or
- b. The Damage To Premises Rented To You Limit shown on the Declarations.

- C. Paragraph 9.a. of the definition of "insured contract" in Section V – Definitions is replaced by the following:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion or subsequent damages resulting from such fire, lightning or explosion including water damage to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract".

- D. The paragraph immediately following Paragraph (6) of exclusion j. of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire, lightning or explosion or subsequent damages resulting from such fire, lightning or explosion including water damage) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits of Insurance.

Item 4. Bodily Injury To Co-Employees

- A. Paragraph 2. of Section II - Who Is An Insured is amended to include:

Each of the following is also an insured:

Your supervisory or management "employees" (other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company)) are insureds while in the course of their employment or while performing duties related to the conduct of your business with respect to "bodily injury":

- (1) To you;
- (2) To your partners or members (if you are a partnership or joint venture);

- (3) To your members (if you are a limited liability company); or
- (4) To a co-"employee" or "volunteer worker" while that co-"employee" or "volunteer worker" is either in the course of his or her employment by you or while performing duties related to the conduct of your business (including participation in any recreational activities sponsored by you).

Your "employees" (other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company)) or "volunteer workers" are insureds while in the course of their employment or while performing duties related to the conduct of your business for a Good Samaritan Act that results in "bodily injury":

- (1) To you;
- (2) To your partners or members (if you are a partnership or joint venture);
- (3) To your members (if you are a limited liability company); or
- (4) To a co-"employee" or "volunteer worker" while that co-"employee" or "volunteer worker" is either in the course of his or her employment by you or while performing duties related to the conduct of your business (including participation in any recreational activities sponsored by you).

A Good Samaritan Act means an attempt to rescue or aid a person in imminent or serious peril, provided the attempt is not recklessly made.

However, none of these "employees" (including supervisory or management "employees") or "volunteer workers" are insureds for the providing or failure to provide professional health care services.

- B. The insurance provided by this Item 4. will not apply if the injured person's sole remedy for such injury is provided under a workers' compensation law or any similar law.

C. Other Insurance

The insurance provided by this Item 4. is excess over any other valid and collectible insurance available to the insured, whether primary, excess, contingent or on any other basis.

Item 5. Health Care Professionals As Insureds

- A. Paragraphs 2.a.(1)(a) and (d) of Section II - Who Is An Insured do not apply to "bodily injury" or "personal and advertising injury" arising out of the providing of or failure to provide professional health care services by any "employee" or "volunteer" of the Named Insured who is a "designated health care provider" if the "bodily injury" or "personal and advertising injury" occurs in the course and scope of the "designated health care provider's" employment by the Named Insured.
- B. With respect to "employees" and "volunteer workers" providing professional health care services, the following exclusions are added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability and Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

- (1) Liability assumed under an "insured contract" or any other contract or agreement;
- (2) Liability arising out of the providing of professional health care services in violation of law;
- (3) Liability arising out of the providing of any professional health care services while in any degree under the influence of intoxicants or narcotics;
- (4) Liability arising out of any dishonest, fraudulent, malicious or knowingly wrongful act or failure to act; or

(5) Punitive or exemplary damages, fines or penalties.

C. The following definition is added to Section V - Definitions:

"Designated health care provider" means any "employee" or "volunteer worker" of the Named Insured whose duties include providing professional health care services, including but not limited to doctors, nurses, emergency medical technicians or designated first aid personnel.

D. Other Insurance

The insurance provided by this Item 5. is excess over any other valid and collectible insurance available to the insured, whether primary, excess, contingent or on any other basis.

Item 6. Knowledge Of Occurrence

Knowledge of an "occurrence" by your agent, servant or "employee" will not in itself constitute knowledge by you unless your "executive officer" or "employee" or other third party designated by you to notify us of "occurrences" has knowledge of the "occurrence".

Item 7. Notice Of Occurrence

For purposes of Paragraph 2.a. of Section IV - Conditions, you refers to an "executive officer" of the Named Insured or to the "employee" designated by the insured to give us notice.

Item 8. Unintentional Errors And Omissions

Unintentional failure of the Named Insured to disclose all hazards existing at the inception of this policy shall not be a basis for denial of any coverage afforded by this policy. However, you must report such an error or omission to us as soon as practicable after its discovery.

This provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

Item 9. Bodily Injury Redefinition

The definition of "bodily injury" in Section V - Definitions is replaced by the following:

"Bodily injury" means:

- a. Bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time; and
- b. Mental anguish, shock or humiliation arising out of injury as defined in Paragraph a. above. Mental anguish means any type of mental or emotional illness or distress.

Item 10. Supplementary Payments - Increased Limits

Paragraphs 1.b. and 1.d. of Section I - Supplementary Payments - Coverages A And B, are replaced by the following:

- b. Up to \$3,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit" including substantiated loss of earnings up to \$500 a day because of time off from work.

Item 11. Property In Your Care, Custody Or Control

- A. Paragraphs (3) and (4) of exclusion j. of Section I – Coverage A – Bodily Injury and Property Damage Liability only apply to:
1. "Property damage" to borrowed equipment, or
 2. "Property damage" to property in your care, custody and control while in transit.
- B. This insurance does not apply to any portion of a loss for which the insured has available any other valid and collectible insurance, whether primary, excess, contingent, or on any other basis, unless such other insurance was specifically purchased by the insured to apply in excess of this policy.
- C. Limits of Insurance

Subject to Paragraphs 2., 3., and 5. of Section III – Limits Of Insurance, the most we will pay for insurance provided by Paragraph A., above is:

\$10,000 Each Occurrence Limit

\$25,000 Aggregate Limit

The Each Occurrence Limit for this coverage applies to all damages as a result of any one "occurrence" regardless of the number of persons or organizations who sustain damage because of that "occurrence".

The Aggregate Limit is the most we will pay for the sum of all damages under this Item 11.

Item 12. Mobile Equipment Redefinition

The definition of "Mobile Equipment" in Section V – Definitions is amended to include self-propelled vehicles with permanently attached equipment less than 1000 pounds gross vehicle weight that are primarily designed for:

- (1) Snow removal;
- (2) Road Maintenance, but not construction or resurfacing; or
- (3) Street cleaning.

Item 13. Newly Formed Or Acquired Entities

Paragraph 3. of Section II – Who Is An Insured is replaced by the following:

3. Any organization, other than a partnership or joint venture, you newly acquire or form and over which you maintain majority ownership or majority interest will qualify as a Named Insured if there is no other similar insurance available to that organization.
- a. Coverage under this provision is afforded only until:
- (1) The 180th day after you acquire or form the organization;
 - (2) Separate coverage is purchased for the organization; or
 - (3) The end of the policy period,
- whichever is earlier.
- b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

- c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

Item 14. **Blanket Additional Insured Where Required By Written Contract**

Paragraph 2. of Section II - Who Is An Insured is amended to add the following:

e. Additional Insured by Written Contract or Written Agreement

The following are insureds under the policy when you have agreed in a written contract or written agreement to provide them coverage as additional insureds under your policy:

- (1) **Lessors of Leased Equipment:** The person(s) or organization(s) from whom you lease equipment, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).
- (2) **Managers or Lessors of Premises:** Any manager or lessor of premises leased to you in which the written lease agreement obligates you to procure additional insured coverage.

The coverage afforded to the additional insured is limited to liability in connection with the ownership, maintenance or use of the premises leased to you and caused, in whole or in part, by some negligent acts or omissions of you, your "employees", your agents or your subcontractors. There is no coverage for the additional insured for liability arising out of the sole negligence of the additional insured or those acting on behalf of the additional insured, except as provided below.

If the written agreement obligates you to procure additional insured coverage for the additional insured's sole negligence, then the coverage for the additional insured shall conform to the agreement, but only if the applicable law would allow you to indemnify the additional insured for liability arising out of the additional insured's sole negligence.

This insurance does not apply to:

- (a) Any "occurrence" which takes place after you cease to be a tenant in that premises or to lease that land; or
 - (b) Any premises for which coverage is excluded by endorsement.
- (3) **Mortgagees, Assignees or Receivers:** Any person(s) or organization(s) with respect to their liability as mortgagee, assignee or receiver and arising out of the ownership, maintenance or use of your premises. This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.
 - (4) **Owners, Lessees or Contractors:** any person(s) or organization(s) to whom you are obligated by a written agreement to procure additional insured coverage, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of your "employees", your agents, or your subcontractors, in the performance of your ongoing operations.

This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of "your work" included in the "products-completed operations hazard" unless you are required to provide such coverage for the additional insured by the written agreement, and then only for the period of time required by the written agreement and only for liability caused, in whole or in part, by your acts or omissions or the acts or omissions of your "employees", your agents, or your subcontractors.

There is no coverage for the additional insured for liability arising out of the sole negligence of the additional insured or those acting on behalf of the additional insured, except as provided below.

If the written agreement obligates you to procure additional insured coverage for the additional insured's sole negligence, then the coverage for the additional insured shall conform to the agreement, but only if the applicable law would allow you to indemnify the additional insured for liability arising out of the additional insured's sole negligence.

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

- (a) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- (b) Supervisory, inspection, architectural or engineering activities.

(5) **Architects, Engineers or Surveyors:** any architect, engineer, or surveyor engaged by you but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- (a) In connection with your premises; or
- (b) In the performance of your ongoing operations.

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:

- (a) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- (b) Supervisory, inspection, architectural or engineering activities.

(6) **Any Person or Organization Other Than a Joint Venture:** Any person or organization (other than a joint venture of which you are a member) for whom you are obligated by a written agreement to procure additional insured coverage, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- (a) In the performance of your ongoing operations; or
- (b) In connection with premises owned by you.

This insurance does not apply to:

1. Any construction, renovation, demolition or installation operations performed by or on behalf of you, or those operating on your behalf;
2. Any person or organization whose profession, business or occupation is that of an architect, surveyor or engineer with respect to liability arising out of the preparation or approval of maps, drawings, opinions, reports, surveys, change orders, designs, specification or the performance of any other professional services by such person or organization; or
3. Any person or organization more specifically covered in Paragraphs e.(1) through (5) above.

The insurance afforded to any person or organization as an insured under this Paragraph 2.e.:

- (1) Applies only to coverage and minimum limits of insurance required by the written agreement or written contract, but in no event exceeds either the scope of coverage or the limits of insurance provided by this policy;

- (2) Does not apply to any person or organization for any "bodily injury", "property damage" or "personal and advertising injury" if any other additional insured endorsement attached to this policy applies to that person or organization with regard to the "bodily injury", "property damage" or "personal and advertising injury";
- (3) Applies only if the "bodily injury" or "property damage" occurs, or offense giving rise to "personal and advertising injury" is committed, subsequent to the execution of the written agreement; and
- (4) Applies only if the written agreement is in effect at the time the "bodily injury" or "property damage" occurs, or at the time the offense giving rise to the "personal and advertising injury" is committed.

Item 15. Blanket Additional Insured – Grantors Of Permits

Paragraph 2. of Section II - Who Is An Insured is amended to add the following:

Any state, municipality or political subdivision with respect to any operations performed by you or on your behalf, or in connection with premises you own, rent or control and to which this insurance applies, for which the state, municipality or political subdivision has issued a permit.

However, this insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state, municipality or political subdivision;
2. Any "bodily injury" or "property damage" included within the "products-completed operations hazard", except when required by written contract or agreement initiated prior to loss; or
3. "Bodily injury", "property damage" or "personal and advertising injury", unless negligently caused, in whole or in part, by you or those acting on your behalf.

Item 16. Waiver Of Right Of Recovery By Written Contract Or Agreement

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 because of payments we make under this policy for injury or damage arising out of your ongoing operations or "your work" included in the "products-completed operations hazard" that we may have against any person or organization with whom you have agreed in a written contract or agreement to waive your rights of recovery but only if the "bodily injury" or "property damage" occurs, or offense giving rise to "personal and advertising injury" is committed subsequent to the execution of the written contract or agreement.

Item 17. Other Insurance Amendment

If you are obligated under a written agreement to provide liability insurance on a primary, excess, contingent, or any other basis for any person or organization that qualifies as an additional insured on this policy, this policy will apply solely on the basis required by such written agreement and Paragraph 4. Other Insurance of Section IV – Conditions will not apply. Where the applicable written agreement does not specify on what basis the liability insurance will apply, the provisions of Paragraph 4. Other Insurance of Section IV – Conditions will govern. However, this insurance is excess over any other insurance available to the additional insured for which it is also covered as an additional insured by attachment of an endorsement to another policy providing coverage for the same "occurrence", claim or "suit".

Item 18. Contractual Liability – Railroads

Paragraph 9. of Section V - Definitions is replaced by the following:

9. "Insured Contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failing to render professional services, including those listed in Paragraph (1) above and supervisory, inspection, architectural or engineering activities.

Policy Number : AS2-Z91-453980-025, TB5-Z91-453980-035, TH7-Z91-453980-045
 Issued by Liberty Mutual Fire Insurance Company, LM Insurance Corporation, Liberty Insurance Corporation

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO THIRD PARTIES

This endorsement modifies insurance provided under the following:

- BUSINESS AUTO COVERAGE PART
- MOTOR CARRIER COVERAGE PART
- GARAGE COVERAGE PART
- TRUCKERS COVERAGE PART
- EXCESS AUTOMOBILE LIABILITY INDEMNITY COVERAGE PART
- SELF-INSURED TRUCKER EXCESS LIABILITY COVERAGE PART
- COMMERCIAL GENERAL LIABILITY COVERAGE PART
- EXCESS COMMERCIAL GENERAL LIABILITY COVERAGE PART
- PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
- LIQUOR LIABILITY COVERAGE PART
- COMMERCIAL LIABILITY – UMBRELLA COVERAGE FORM

Schedule		
Name of Other Person(s) / Organization(s):	Email Address or mailing address:	Number Days Notice:
PER SCHEDULE ON FILE WITH THE COMPANY	PER SCHEDULE ON FILE WITH THE COMPANY	30

- A. If we cancel this policy for any reason other than nonpayment of premium, we will notify the persons or organizations shown in the Schedule above. We will send notice to the email or mailing address listed above at least 10 days, or the number of days listed above, if any, before the cancellation becomes effective. In no event does the notice to the third party exceed the notice to the first named insured.
- B. This advance notification of a pending cancellation of coverage is intended as a courtesy only. Our failure to provide such advance notification will not extend the policy cancellation date nor negate cancellation of the policy.

All other terms and conditions of this policy remain unchanged.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**DESIGNATED INSURED FOR
COVERED AUTOS LIABILITY COVERAGE**

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 this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

SCHEDULE

<p>Name Of Person(s) Or Organization(s):</p> <p>Blanket as required by written contract.</p>

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

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph A.1. of Section II – Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph D.2. of Section I – Covered Autos Coverages of the Auto Dealers Coverage Form.



A. Coverage

1. Paragraph B.7. of SECTION IV - BUSINESS AUTO CONDITIONS is amended by the addition of the following:

The coverage territory is extended to include Mexico but only if all of the following criteria are met:

- a. The "accidents" or "loss" occurs within 25 miles of the United States border; and
 - b. While on a trip into Mexico for 10 days or less.
2. For coverage provided by this section of the endorsement, Paragraph B.5. Other Insurance in SECTION IV - BUSINESS AUTO CONDITIONS is replaced by the following:

The insurance provided by this endorsement will be excess over any other collectible insurance.

- B. Physical Damage Coverage is amended by the addition of the following:

If a "loss" to a covered "auto" occurs in Mexico, we will pay for such "loss" in the United States. If the covered "auto" must be repaired in Mexico in order to be driven, we will not pay more than the actual cash value of such "loss" at the nearest United States point where the repairs can be made.

C. Additional Exclusions

The following additional exclusions are added:

This insurance does not apply:

1. If the covered "auto" is not principally garaged and principally used in the United States.
2. To any "insured" who is not a resident of the United States.

XXIII. WAIVER OF SUBROGATION

Paragraph A.5. in SECTION IV - BUSINESS AUTO CONDITIONS does not apply to any person or organization where the Named Insured has agreed, by written contract executed prior to the date of "accident", to waive rights of recovery against such person or organization.

Policy Number AS2-Z91-453980-025
Issued by Liberty Mutual Fire Insurance Company

XXIV. WAIVER OF SUBROGATION

Paragraph A.5. in SECTION IV - BUSINESS AUTO CONDITIONS does not apply to any person or organization where the Named Insured has agreed, by written contract executed prior to the date of "accident", to waive rights of recovery against such 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 _____ % of the California workers' compensation premium otherwise due on such remuneration.

Schedule

<u>Person or Organization</u>	<u>Job Description</u>
ANY PERSON OR ORGANIZATION FOR WHOM THE NAMED INSURED HAS AGREED BY WRITTEN CONTRACT TO FURNISH A WAIVER PROVIDED YOU EXECUTED THE CONTRACT PRIOR TO THE LOSS	AS REQUIRED BY WRITTEN CONTRACT

Issued by The First Liberty Insurance Corporation

For attachment to Policy No. WC6-Z91-453980-075

Effective Date 04/01/2015

Premium \$

Issued to Redflex Traffic Systems, Inc.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

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.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

Any person or organization for whom the Named Insured has agreed by written contract to furnish a waiver provided you executed the contract before the loss.

Issued by: **The First Liberty Insurance Corporation**

For attachment to Policy No **WC6-Z91-453980-075**

Effective Date **04/01/2015**

Premium \$

Issued to: **Redflex Traffic Systems, Inc.**

TEXAS WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because Texas is shown in Item 3.A. of the Information Page.

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, but this waiver applies only with respect to bodily injury arising out of the operations described in the Schedule where you are required by a written contract to obtain this waiver from us.

This endorsement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

The premium for this endorsement is shown in the Schedule.

Schedule

1. () Specific Waiver

Name of person or organization

(X) Blanket Waiver

Any person or organization for whom the Named Insured has agreed by written contract to furnish this waiver.

2. Operations:

3. Premium:

The premium charge for this endorsement shall be _____ percent of the premium developed on payroll in connection with work performed for the above person(s) or organization(s) arising out of the operations described.

4. Minimum Premium:

5. Advance Premium:

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 Insured Redflex Traffic Systems, Inc.

Effective Policy No. WCS-291-453980-075 Endorsement No. Premium

Insurance Company The First Liberty Insurance Corporation

Countersigned by Cynthia Pitman



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO THIRD PARTIES

- A. If we cancel this policy for any reason other than nonpayment of premium, we will notify the persons or organizations shown in the Schedule below. We will send notice to the email or mailing address listed below at least 10 days, or the number of days listed below, if any, before cancellation becomes effective. In no event does the notice to the third party exceed the notice to the first named insured.
- B. This advance notification of a pending cancellation of coverage is intended as a courtesy only. Our failure to provide such advance notification will not extend the policy cancellation date nor negate cancellation of the policy.

SCHEDULE

Name of Other Person(s) / Organization(s):	Email Address or mailing address:	Number Days Notice:
PER SCHEDULE ON FILE WITH THE COMPANY	PER SCHEDULE ON FILE WITH THE COMPANY	30

All other terms and conditions of this policy remain unchanged.

Issued by **The First Liberty Insurance Corporation**

For attachment to Policy No. **WC6-Z91-453980-075**

Effective Date **04/01/2015**

Premium \$

Issued to **Redflex Traffic Systems, Inc.**

