

ADDENDUM TO PURCHASE ORDER AGREEMENT
INSURANCE REQUIREMENTS

PURCHASE ORDER NUMBER No.

_____ (hereinafter VENDOR) shall procure and maintain throughout the duration of the Purchase Order Agreement ("Agreement"), insurance against claims for injuries to persons or damages to property which may arise from or in connection with products, materials or service supplied to the CITY OF FULLERTON (CITY). VENDOR shall provide current evidence of the required insurance in a form acceptable to the CITY and shall provide replacement evidence for any required insurance which expires prior to the completion, expiration or termination of this Agreement.

Nothing in this section shall be construed as limiting in any way, the Indemnification and Hold Harmless clauses contained within the Sections 7 and 22 of the Agreement or the extent to which VENDOR may be held responsible for payments of damages to persons or property.

I. Minimum Scope and Limits of Insurance

- A. Commercial General Liability Insurance. VENDOR shall maintain commercial general liability insurance coverage in a form at least as broad as ISO Form #CG 00 01, with a limit of not less than \$2,000,000 each occurrence. If such insurance contains a general aggregate limit, it shall apply separately to the Agreement or shall be twice the required occurrence limit.
- B. Business Automobile Liability Insurance. VENDOR shall maintain business automobile liability insurance coverage in a form at least as broad as ISO Form # CA 00 01, with a limit of not less than \$1,000,000 each accident. Such insurance shall include coverage for hired and non-owned automobiles.
- C. Workers' Compensation and Employers' Liability Insurance. VENDOR shall maintain workers' compensation insurance as required by the State of California and employers' liability insurance with limits of not less than \$1,000,000 each accident.
- D. Technology Professional Liability Insurance Errors & Omissions. VENDOR shall maintain this coverage appropriate to the VENDOR'S profession and work hereunder, with limits of not less than \$2,000,000 per occurrence. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by the VENDOR in this agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses. The policy shall include or be endorsed to include property damage liability coverage for damage to, alteration of, loss of, or destruction of electronic data and/or information "property" of the CITY in the care, custody, or control of the VENDOR.
- E. Cyber Liability Insurance. VENDOR shall maintain cyber liability insurance with a limit of not less than \$2,000,000 per occurrence or claim and \$2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by VENDOR in this agreement and shall include but not be limited to claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information and alteration of electronic information. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses.

II. Other Insurance Provisions

The required insurance policies shall contain or be endorsed to contain the following provisions:

- A. Commercial General Liability, Business Automobile Liability.

The CITY, its elected or appointed officials, officers, employees, and volunteers are to be covered as additional insureds with respect to liability arising out of products, materials or service of the VENDOR. Such coverage as an additional insured shall not be limited to the period of time during which the VENDOR is conducting ongoing operations for the CITY but rather, shall continue after the completion of such operations. The coverage shall contain no special limitations on the scope of its protection afforded to the CITY, its officers, employees, and volunteers.

- B. Commercial General Liability, Business Automobile Liability.

This insurance shall be primary insurance as respects the CITY, its officers, employees and volunteers and shall apply separately to each insured against whom a suit is brought, or a claim is made. Any insurance or self-insurance maintained by the CITY, its officers, employees and volunteers shall be excess of this insurance and shall not contribute with it.

- C. All Coverages.

Self-insured retentions must be declared to and approved by the CITY. The CITY may require the VENDOR to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or CITY.

VENDOR hereby grants to CITY a waiver of any right to subrogation which any insurer of said VENDOR may acquire against the CITY by virtue of the payment of any loss under such insurance. VENDOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether the CITY has received a waiver of subrogation endorsement from the insurer.

Each insurance policy required above shall state that coverage shall not be canceled, except with notice to the CITY.

If VENDOR maintains broader coverage and/or higher limits of insurance than the minimum limits shown above, CITY requires and shall be entitled to the broader coverage and/or higher limits of insurance.

If any of the required policies provide coverage on a claims-made basis the Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work. The insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after completion of the contract work. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retro Active date prior to the contract effective date, the VENDOR must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

III. Acceptability of Insurers

All required insurance shall be placed with insurers acceptable to the CITY with current BEST'S ratings of no less than A, Class VII. Workers' compensation insurance may be placed with the California State Compensation Insurance Fund. All insurers shall be licensed by or hold admitted status in the State of California. At the sole discretion of the CITY, insurance provided by non-admitted or surplus carriers with a minimum BEST'S rating of no less than A-, Class X may be accepted if VENDOR evidences the requisite need to the sole satisfaction of the CITY.

IV. Verification of Coverage

VENDOR shall furnish the CITY with certificates of insurance which bear original signatures of authorized agents, and which reflect insurers names and addresses, policy numbers, coverage, limits, deductibles and self-insured retentions. Additionally, VENDOR shall furnish certified copies of all policy endorsements required herein. All certificates and endorsements must be received and approved by CITY before work commences or products and materials are delivered. The CITYCITY reserves the right to require at any time complete, certified copies of any or all required insurance policies and endorsements.

CITY

VENDOR

By: _____
City of Fullerton Representative

Dated: _____

By: _____
VENDOR Representative

Dated: _____