THIS AMENDED AND RESTATED ENCROACHMENT LICENSE AGREEMENT ("Agreement") entered into at Fullerton, California, between Raytheon Company, a Delaware corporation ("Raytheon"), hereinafter referred to as "LICENSEE" and the City of Fullerton, a municipal corporation, hereinafter referred to as "CITY" or "LICENSOR."

### **WITNESSETH**

- **WHEREAS**, CITY is the owner of the street rights of way known as Moore Avenue, Sunny Ridge Drive, Malvern Avenue, North Gilbert Street, Franklin Hills Drive, Target Way, and Burning Tree Road ("Rights of Way") as shown more fully on <u>Exhibit A</u> attached hereto and incorporated herein byreference;
- **WHEREAS**, LICENSEE is required to construct, operate, maintain and monitor a groundwater remediation system to meet the requirements of the groundwater corrective action selected by the California Environmental Protection Agency, Department of Toxic Substances Control ("Oversight Agency");
- WHEREAS, LICENSEE has requested permission from CITY to install pipelines, water monitoring wells, water extraction wells, water injection wells, well vaults, electrical and control conduits and wiring, and associated appurtenances (collectively referred to as "GRS") within a portion of the Rights of Way to meet the Oversight Agency's required groundwater corrective actions;
- **WHEREAS**, LICENSEE intends to install such pipelines and wells in a manner largely consistent with the designs portrayed in Exhibit A; and
- **WHEREAS**, LICENSOR AND LICENSEE are parties to that certain Encroachment License Agreement dated November 19, 2018 ("Prior Agreement") and wish to amend and restate the same by this Agreement.
- **NOW, THEREFORE**, in consideration of the premises and promises hereinafter made, said parties hereby agree as follows:
- **1. Grant of License.** Subject to the terms and conditions hereinafter set forth, LICENSOR hereby grants to LICENSEE a non-exclusive license to construct, use and maintain GRS within a portion of the Rights of Way. The locations for the placement of the pipelines, monitoring wells, and well vaults are more particularly shown on the map attached hereto as Exhibit A and made a part hereof by this reference.

### 2. Term.

- **a. Term.** The effective date of this Agreement will be the date as executed by LICENSOR. This Agreement shall remain in effect for as long as LICENSEE is required to maintain the GRS by the Oversight Agency, provided that LICENSEE shall provide written notice to LICENSOR upon termination of such obligations. LICENSEE shall certify in writing that it is still operating the GRS pursuant to Oversight Agency requirements on an annual basis.
- b. Termination. LICENSEE may terminate this Agreement for convenience at any time upon one hundred twenty (120) days' prior written notice. After the first ten (10) years of the term, LICENSOR may terminate this Agreement for convenience upon one hundred twenty (120) days' prior written notice. Any termination pursuant to this section is subject to other provisions that shall survive, including without limitation those set forth in Sections 8 and 9.
- **3. Permitted Use.** The GRS shall be used solely for extraction, injection and monitoring of groundwater, and not for any other purpose.
- **4.** <u>Third Party Encroachment Permits</u>. LICENSEE understands that, from time to time, LICENSOR may issue encroachment permits to third party agencies or entities for various reasons throughout the city as a normal course of business. LICENSEE also understands and agrees that LICENSOR shall not be

responsible to keep records of LICENSEE'S facilities nor be responsible to notify LICENSEE or any third party of a potential conflict that may result by the issuance of an encroachment permit to a third party.

### 5. Fees.

- **a. Review Fee.** LICENSEE shall pay to LICENSOR the amount of ONE THOUSAND EIGHTEEN DOLLARS (\$1,018.00) for LICENSOR's cost of the review and implementation of the conditions and terms of this Agreement.
- Annual License Fee. LICENSEE shall pay LICENSOR an annual license fee (the "Annual b. License Fee") of TWENTY-EIGHT THOUSAND SIX HUNDRED THREE DOLLARS (\$28,603.00) per calendar year or prorated for any portion thereof. The Annual License fee is calculated by: the sum of the following: 1) the total length of trench with pipeline multiplied by the unit rate of \$4.85 per linear foot, and 2) the number of wells multiplied by \$302.69 for each well. The Annual License Fee shall commence upon completion of construction of all portions of the GRS within the Rights of Way ("Commencement Date"). If the "as built" GRS varies in scope from the proposed GRS as contemplated on the date of this Agreement, the parties shall adjust the Annual License Fee based on the formula described herein. The License Fee shall be increased by two percent (2%) on January 1 of each year. The Annual License Fee shall be payable in advance, without prior notice or demand and without deduction or offset, on or before January 1 of each year after the Commencement Date, provided that the first payment shall be due within thirty (30) days of the Commencement Date. If this Agreement terminates for any reason other than LICENSEE default, LICENSOR shall refund a prorated amount of the Annual License Fee paid for that calendar year.
- **c. Payments.** All payments shall be made by check made out to "City of Fullerton" to the address listed in Section 14 below, or by electronic funds transfer.

#### 6. Design, Installation, and Operation of GRS.

a. Design Approval. LICENSEE shall submit drawings and other materials related to the GRS to LICENSOR for review. LICENSOR shall have thirty (30) days to review and approve the LICENSEE's final design. If the LICENSOR objects to, or has questions about the design or the GRS, the parties shall make their consultants available to meet and confer within a reasonable time in an effort to resolve any disagreement. LICENSOR shall inform LICENSEE of any planned modifications to any rights of way in which the GRS would be installed in order to minimize GRS relocation as described in Section 7. Upon final approval of the design, the parties shall attach the approved documents as an exhibit to this Agreement.

#### b. Installation.

- (i) Prior to any work commencing within the Rights of Way, LICENSEE shall first obtain a permit from LICENSOR'S Public Works Director, or their appointee, for the installation and operation of the GRS, and shall comply with all construction and traffic control conditions contained therein and all applicable regulations and standards. Any street, pavement, parkway, or any other facility within the Rights of Way disturbed by LICENSEE'S activity under this Agreement will be replaced, repaired, and restored to then-applicable LICENSOR standards.
- (ii) Prior to performing any excavation work, LICENSEE shall contact the applicable Regional Notification Center and LICENSOR and follow all regulations and procedures thereof, and shall ensure that said work does not adversely impact any installations of the LICENSOR or any other pre-existing public utilities on or within the Rights of Way. LICENSEE shall become a member of said Regional

Notification Center and maintain membership during the term of this Agreement.

- (iii) LICENSEE's installation of the GRS and its components shall comply with all of the applicable regulations, codes and requirements as set forth by the LICENSOR for these types of systems.
- (iv) LICENSEE shall be responsible for all costs and fees applicable to the installation of the GRS.
- (v) LICENSEE and its subcontractors shall follow all applicable health and safety laws and regulations in performing the installation, as well as LICENSOR's policy directives and procedural safety and security requirements when accessing LICENSOR's property.
- (vi) LICENSOR shall reasonably cooperate with the LICENSEE and its agents to facilitate the installation of the GRS to meet the requirements of the groundwater corrective action selected by the Oversight Agency, and time is of the essence.

#### c. Operation.

- (i) LICENSEE shall operate the GRS in accordance with applicable laws and regulations (including without limitation California Well Standards Bulletin 74-90 (Supplemental to Bulletin 74-81) and LICENSOR standards), and shall ensure that the GRS does not adversely impact any installations of the LICENSOR or any other pre-existing public utilities on or within the Rights of Way.
- (ii) LICENSEE shall at its own expense maintain and repair the GRS in good condition.
- (iii) If an issue arises in connection with the GRS that requires immediate repairs or actions to prevent material damage to property or any adverse impact to public health or safety, the LICENSEE'S emergency point of contact is:

Raytheon Security Hotline (Fullerton, CA site) (714) 446-9513

LICENSEE shall confirm that this information is valid annually, and LICENSEE shall notify LICENSOR in writing of any changes to this contact information. LICENSOR shall provide notice to the emergency contact and LICENSEE shall respond as soon as reasonably practical. If, due to the nature of the emergency, it is necessary for LICENSOR to take immediate action to prevent imminent harm to public safety or material property damage, LICENSOR may take all reasonable actions to prevent the same and LICENSEE shall reimburse LICENSOR's reasonable costs in doing so.

- 7. Modifications to Rights of Way and GRS Relocation. If LICENSOR proposes to modify any portion of the Rights of Way in such a manner that may adversely impact the GRS, LICENSOR shall permit LICENSEE to relocate any portions of the GRS that would be impacted by said modification. If there are no alternative locations within the Rights of Way to relocate the affected portions of the GRS, LICENSOR shall in good faith identify a new location within the CITY's existing rights of way or other property rights whereby LICENSEE shall relocate the GRS at its own expense to meet the Oversight Agency's corrective action requirements sought by LICENSEE under this Agreement. LICENSOR shall provide at least ninety (90) days' prior written notice to LICENSEE prior to the commencement of LICENSOR's work.
- 8. Surrender and Restoration Requirements. Within one hundred eighty (180) days following the

termination of this Agreement, LICENSEE shall surrender the Rights of Way according to the following provisions:

- a. Above Grade Equipment. At the sole expense of the LICENSEE, LICENSEE shall remove all portions of the GRS that are located above land surface or readily accessible from the surface (such as utility vaults and wells), provided the parties may agree to leave certain equipment in place and transfer ownership of the same to LICENSOR.
- b. Subsurface Equipment. Upon termination of this Agreement, LICENSOR shall inform LICENSEE which portions of the GRS (i) must be removed immediately following termination, (ii) may be temporarily abandoned in place, or (iii) may be permanently abandoned in place.
  - (i) Portions Subject to Immediate Removal. LICENSEE shall coordinate with LICENSOR to remove portions of the GRS based on a schedule reasonably agreed to by the parties.
  - (ii) Portions Temporarily Abandoned in Place. If within a period of fifteen (15) years following the termination of this Agreement, the LICENSOR performs a programmed Capital Improvement Program ("CIP") project within a portion of the Rights of Way in which the GRS has been temporarily abandoned in place and requires the removal of the subsurface GRS equipment, LICENSEE shall reimburse LICENSOR's reasonable costs to remove and dispose of said equipment. LICENSOR shall provide to LICENSEE copies of all contracts, purchase orders, receipts, proof of payments, itemized breakdowns and any other document that supports the LICENSOR'S right to compensation under this provision. After such fifteen (15) years, any portion of the GRS temporarily abandoned in place shall be deemed to have been permanently abandoned in place.
  - (iii) Portions Permanently Abandoned in Place. With respect to portions permanently abandoned in place, LICENSOR shall permit subsurface portions of the GRS to be abandoned in place subject to applicable laws and regulations, and LICENSOR shall assume ownership thereof.
- **c. Surface Restoration.** LICENSEE shall restore all asphalt, concrete, and other surfaces disturbed in connection with its removal or abandonment of the GRS pursuant to the then-applicable LICENSOR standards.
- Licensee Warranty. LICENSEE shall warrant all work performed in the Rights of Way that impacts CITY-owned property (road surfaces, sidewalks, etc.) against defective materials and workmanship for a period of five (5) years from the date of completion of said work as confirmed by LICENSOR in writing ("Warranty Period"). This warranty shall not apply to the GRS, other equipment owned by LICENSEE or any third party, or to the extent that a defective condition results from the acts or omissions of the LICENSOR or any third party (by way of example and not limitation, LICENSEE would not be liable if a utility company performed excavation work in the Rights of Way subsequent to LICENSEE's completion of paving work). All warranties, express or implied, from subcontractors, manufacturers, or suppliers of any tier for materials furnished or work performed shall be assigned to LICENSOR and such warranties shall be delivered to the LICENSOR prior to acceptance of LICENSEE's completion of said installation. LICENSEE shall replace or repair defective materials and workmanship in a manner satisfactory to the LICENSOR, after notice to do so from the LICENSOR, and within a timeframe reasonably agreed on by the parties. If LICENSEE fails to make such replacement or repairs within said timeframe, the LICENSOR may perform the replacement or repairs at LICENSEE's expense. Due to the fact that LICENSEE may perform work at various times throughout the term of this Agreement, including the initial installation (which may be performed in phases), subsequent modifications, and final restoration, there may be multiple warranties that apply to different portions of the Rights of Way with various expiration dates.
- **10.** <u>Indemnity</u>. Each party shall indemnify, defend and hold harmless the other party, its parent, subsidiaries and their respective officers, directors, shareholders and employees, from and against all third party damages, liabilities, actions, causes of action, suits, claims, demands, losses, cost and expenses

(including without limitation, reasonable attorney's fees, disbursements and court costs) to the extent arising from or in connection with negligence or willful misconduct of the indemnifying party, its agents, employees, representatives or contractors.

#### 11. Default.

- a. Default. If either party fails or refuses to comply with or carry out any of the covenants or conditions contained herein, the non-breaching shall provide written notice to the breaching party of the same. The breaching party shall have thirty (30) days to cure said breach from the date of receipt of said notice, provided however, if the breach is of such a nature that it cannot be remedied in said time period, the breaching party shall remain in compliance with this Agreement so long that it commences the remedy within thirty (30) days and diligently pursues the remedy to completion. If the breaching party fails to cure the breach (or commence the cure as applicable) within the time prescribed above, it shall be in default of this Agreement.
- b. Licensor Remedies. Upon LICENSEE default, LICENSOR may terminate this Agreement upon written notice to LICENSEE. LICENSEE shall be liable to LICENSOR all direct costs and damages resulting from said default, upon the condition that the LICENSOR provide copies of all contracts, purchase orders, receipts, proof of payments, itemized breakdowns and any other document that supports the LICENSOR'S claims for direct costs and damages. These costs shall include, but not be limited to, inspection, plan checking, testing, removal, relocation, repair, and any other costs incurred by LICENSOR due to the installation of the GRS. Payment of all actual costs shall be made to the City of Fullerton and deemed accepted upon receipt of the billing thereof.
- **c. Licensee Remedies.** Upon LICENSOR default, LICENSEE shall have any remedy available in law or equity as permitted by applicable law.
- d. **No Consequential Damages.** Neither party shall be liable to the other party for any incidental, consequential, or special damages regardless of whether such damages were foreseeable and even if a party was advised of the possibility thereof.
- **12.** <u>Insurance</u>. LICENSEE shall provide insurance coverage pursuant to the terms set forth in <u>Exhibit</u> <u>B</u> attached hereto.
- **13.** Assignment. LICENSEE may not assign this Agreement to any party without the prior written consent of LICENSOR, which shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, LICENSEE may assign this Agreement to any parent company, subsidiary, or other affiliated company upon written notice to LICENSOR.
- **14.** <u>Notices</u>. All notices under this Agreement shall be effective upon personal delivery, via email, or three (3) business days after deposit in the U.S. mail certified, postage fully prepaid and addressed to the respective parties as set forth below or as to such other addresses as the parties may from time to time designate in writing:

To LICENSOR:

City of Fullerton 303 W. Commonwealth Avenue Fullerton, CA 92632 Attn: Public Works Director

TO LICENSEE:

Raytheon Company

870 Winter Street Waltham, MA 02451 Attn.: EHSS Counsel

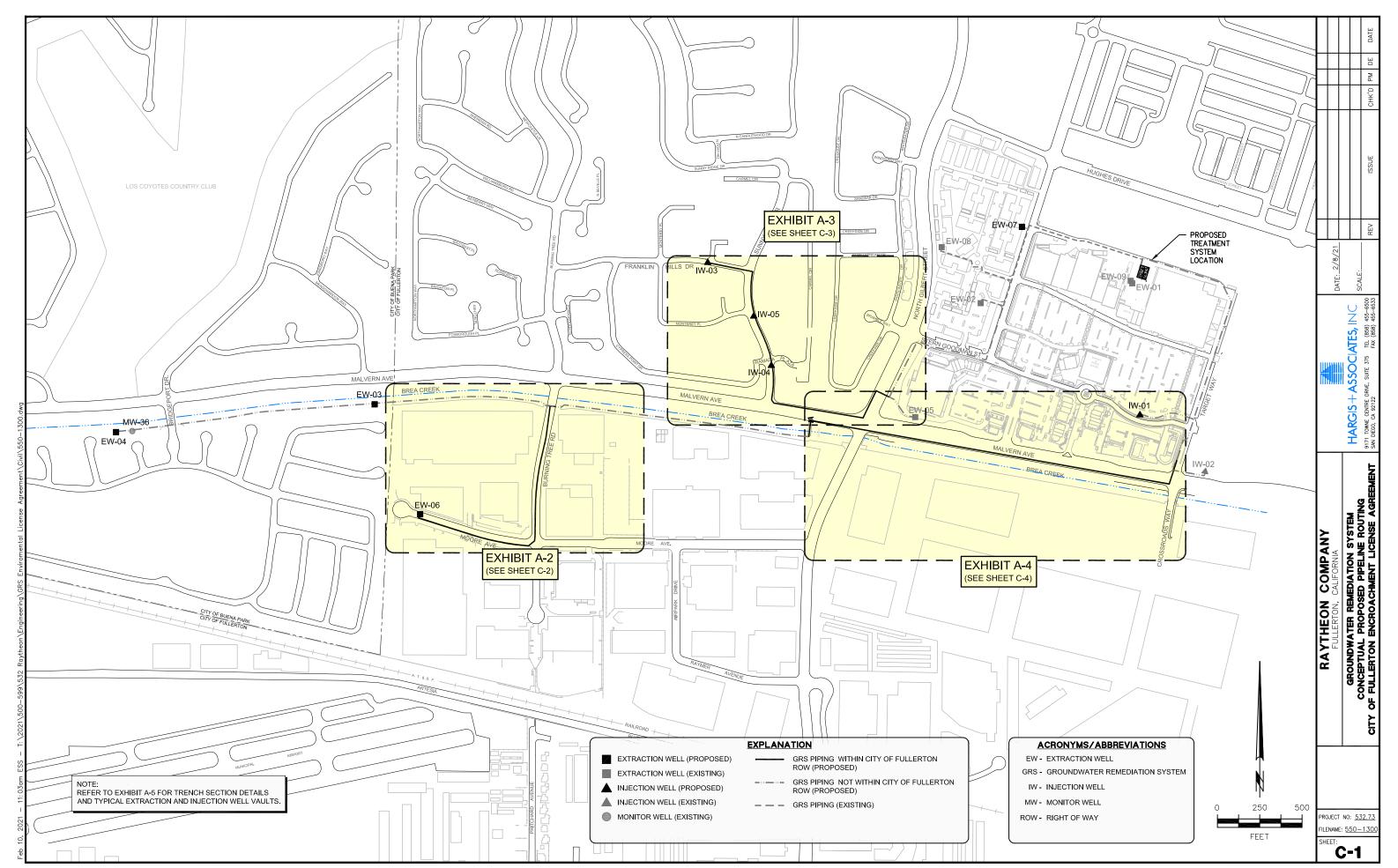
- **15. Governing Law.** This Agreement will be construed and enforced in accordance with the laws of the State of California without giving effect to its principles of conflicts of law. Venue shall be in the County of Orange.
- **Severability.** If any term, provision, covenant or condition of this Agreement is held to be invalid, void or otherwise unenforceable, to any extent by any court of competent jurisdiction, the remainder of this Agreement will not be affected thereby, and each term provision, covenant or condition of this Agreement will be valid and enforceable to the fullest extent permitted by law.
- **17.** Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by so executing this Agreement, the parties hereto are formally bound to the provisions of this Agreement.
- **18. Amendments.** This Agreement may only be amended by a writing signed by both parties.
- **19.** <u>Attorneys' Fees.</u> In the event of any legal action arising out of any of the terms or conditions of this Agreement, the prevailing party in such action shall be entitled to recover its reasonable costs and expenses, including, without limitation, reasonable attorneys' fees and costs.
- **20.** Entire Agreement. Except as set forth above, this Agreement and the exhibits incorporated herein contain the entire agreement of LICENSOR and LICENSEE with respect to the matters contained herein, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose.
- **21. Prior Agreement.** This Agreement amends and restates the Prior Agreement as of the effective date of this Agreement. In the event of a conflict between any of the provisions of this Agreement and the Prior Agreement, the provisions of this Agreement shall control.
- **22.** <u>Electronic Signatures</u>. This Agreement may be executed by electronic signature (including without limitation DocuSign, Adobe Sign, and scanned signature pages) and delivered by email or other electronic method pursuant to the U.S. Electronic Signatures in Global and National Commerce Act or applicable state law.

[signature page follows]

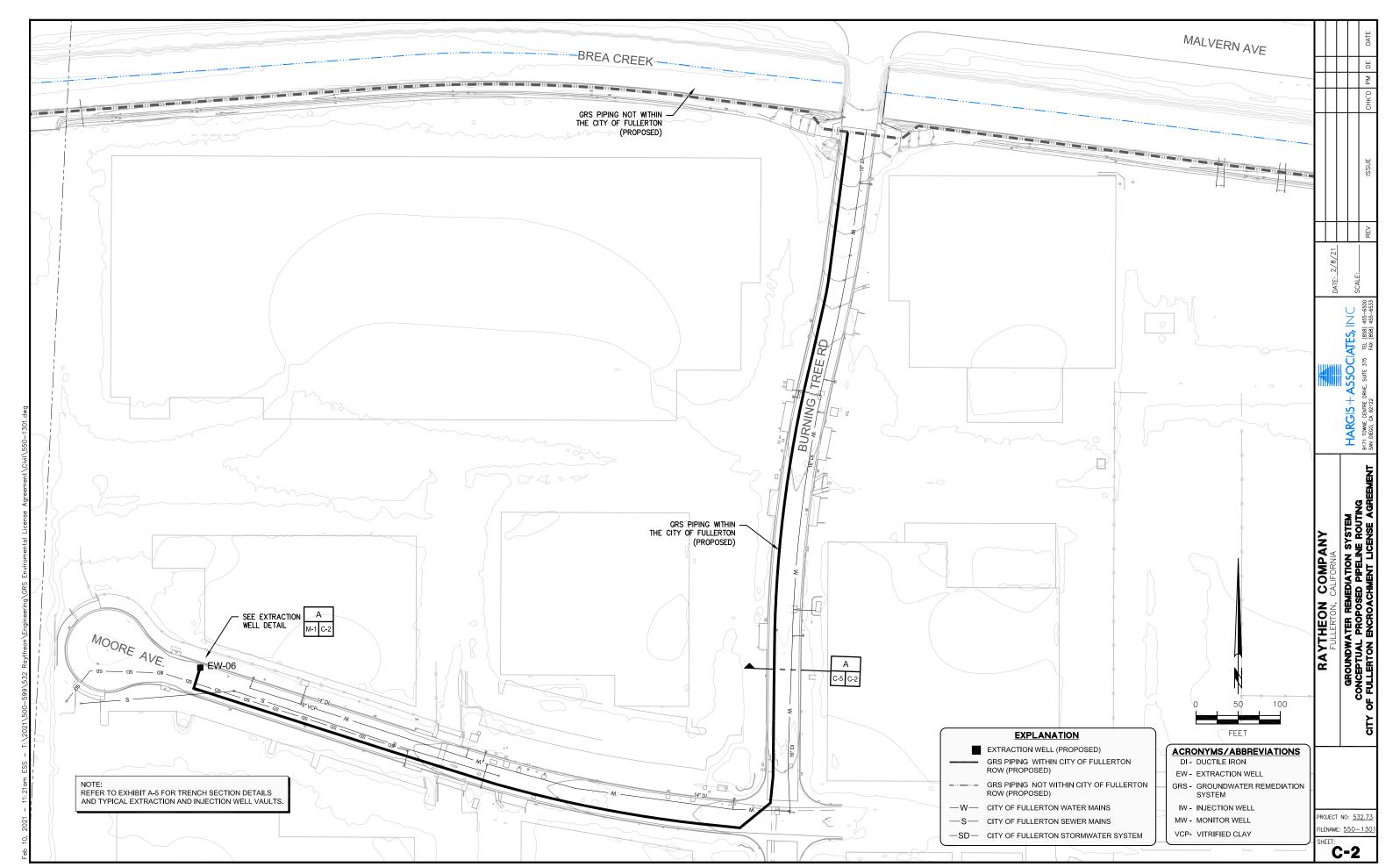
Executed as of the date of LICENSOR signature below.

LICENS CITY O	SOR: F FULLERTON, a municipal corporation
Ву:	
Name: Title: Date:	Steve Danley City of Fullerton, Acting City Manager ————
LICENS RAYTH	SEE: IEON COMPANY, a Delaware corporation
Ву:	
Name: Title: Date:	David Platt Vice President & Associate General Counsel, EH&S/Real Estate
Approv	ed as to form:
Name: Title:	Richard D Jones City Attorney

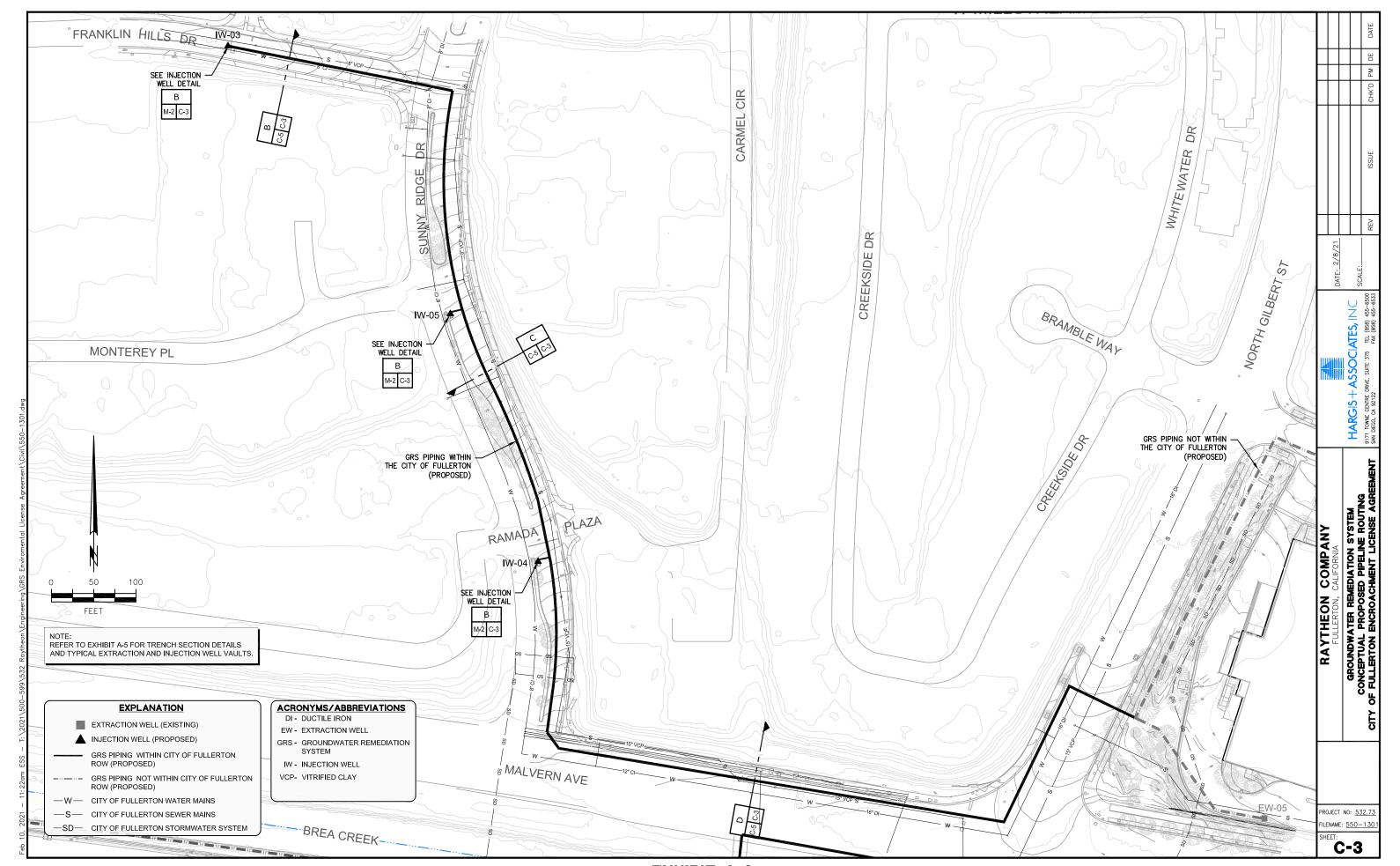
### Exhibit A Site Drawings



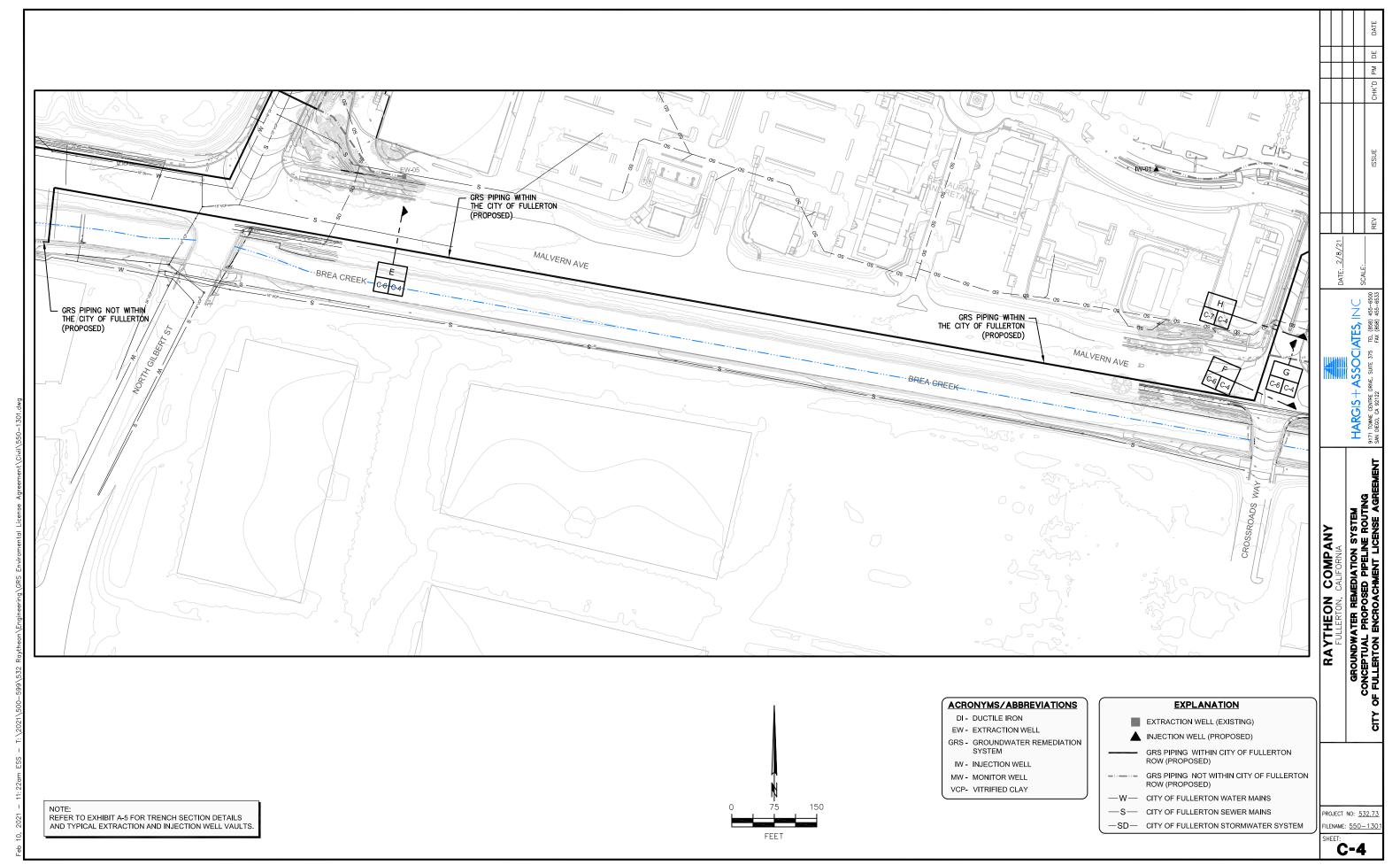
**EXHIBIT A-1** 

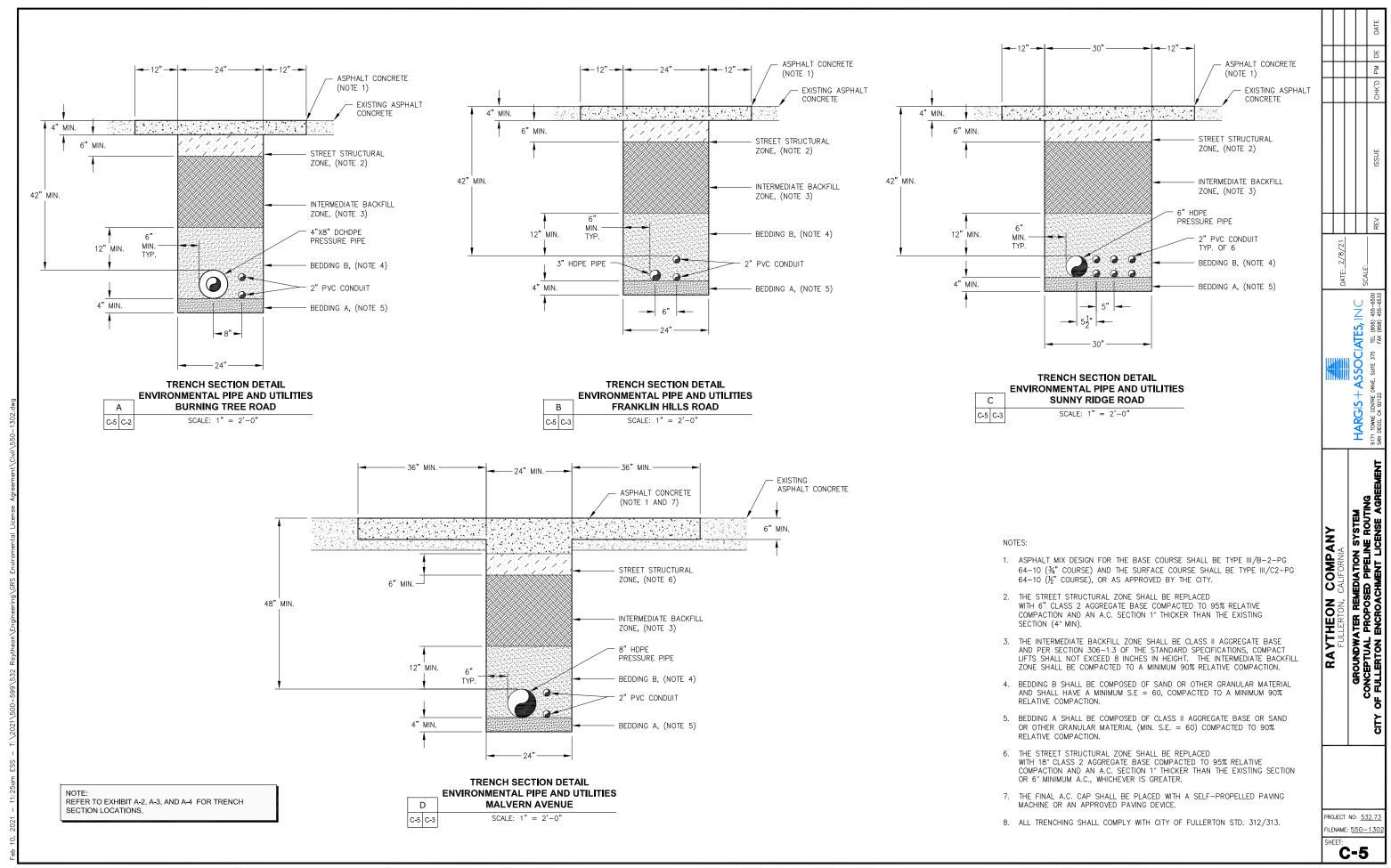


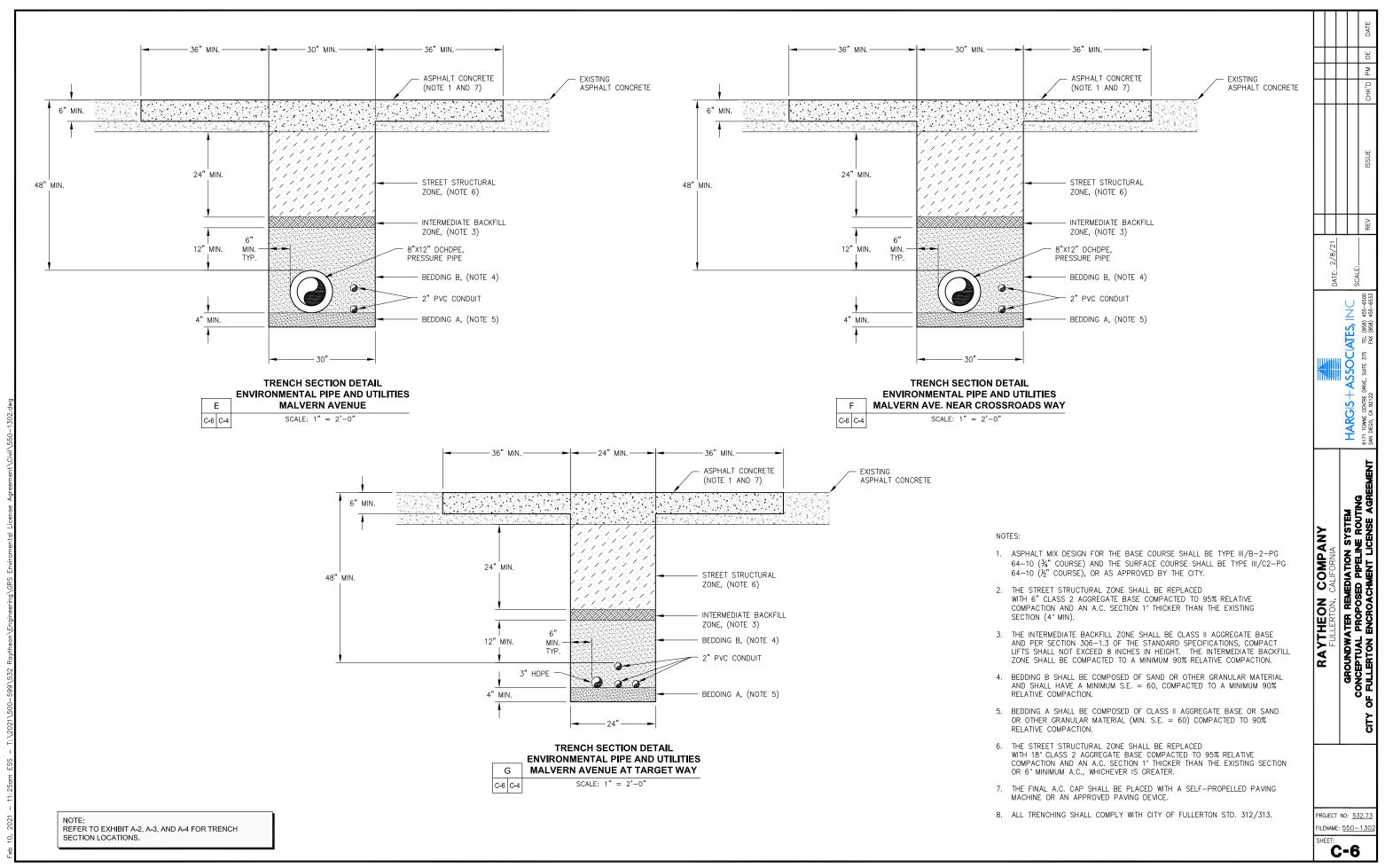
**EXHIBIT A-2** 



**EXHIBIT A-3** 





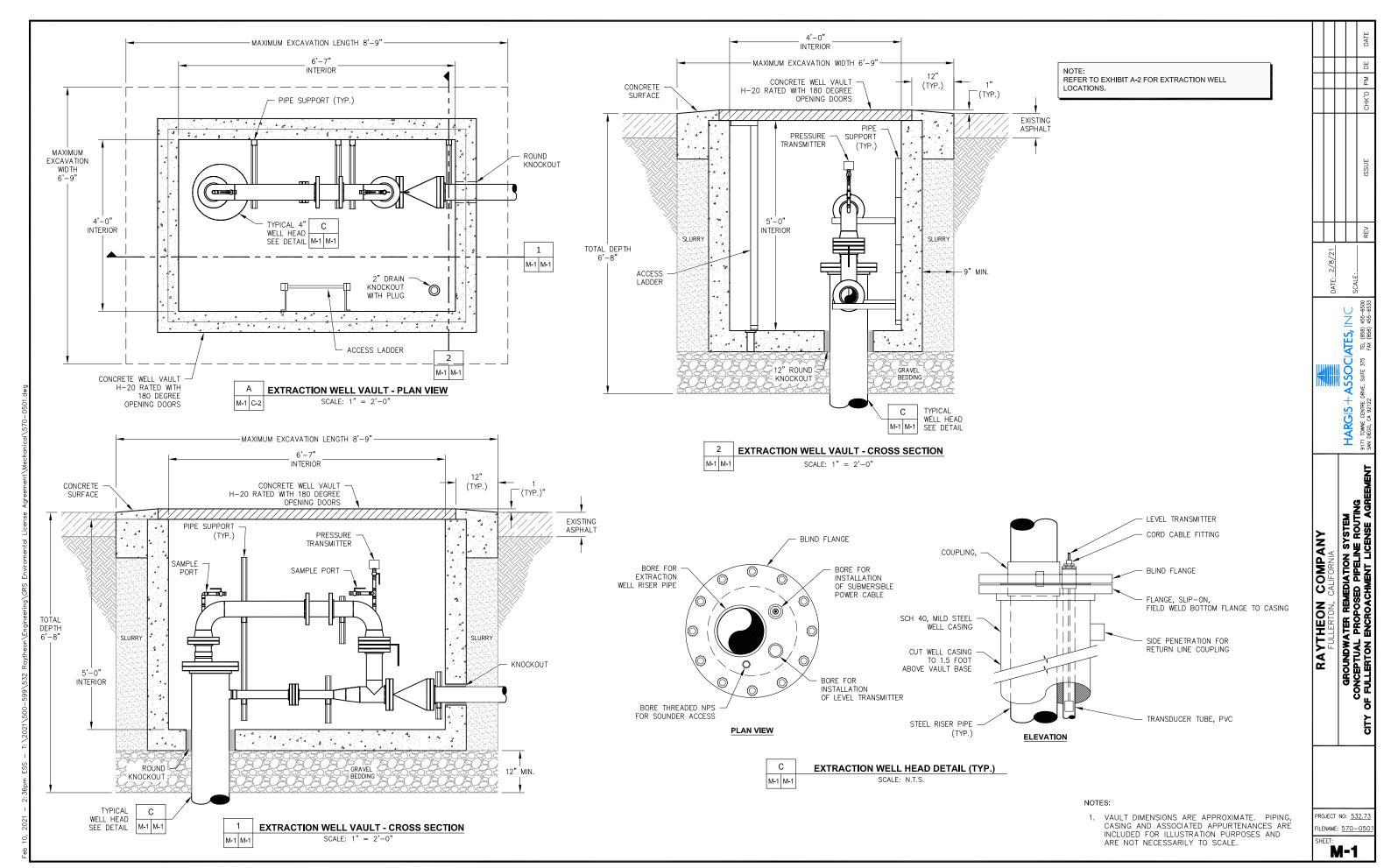


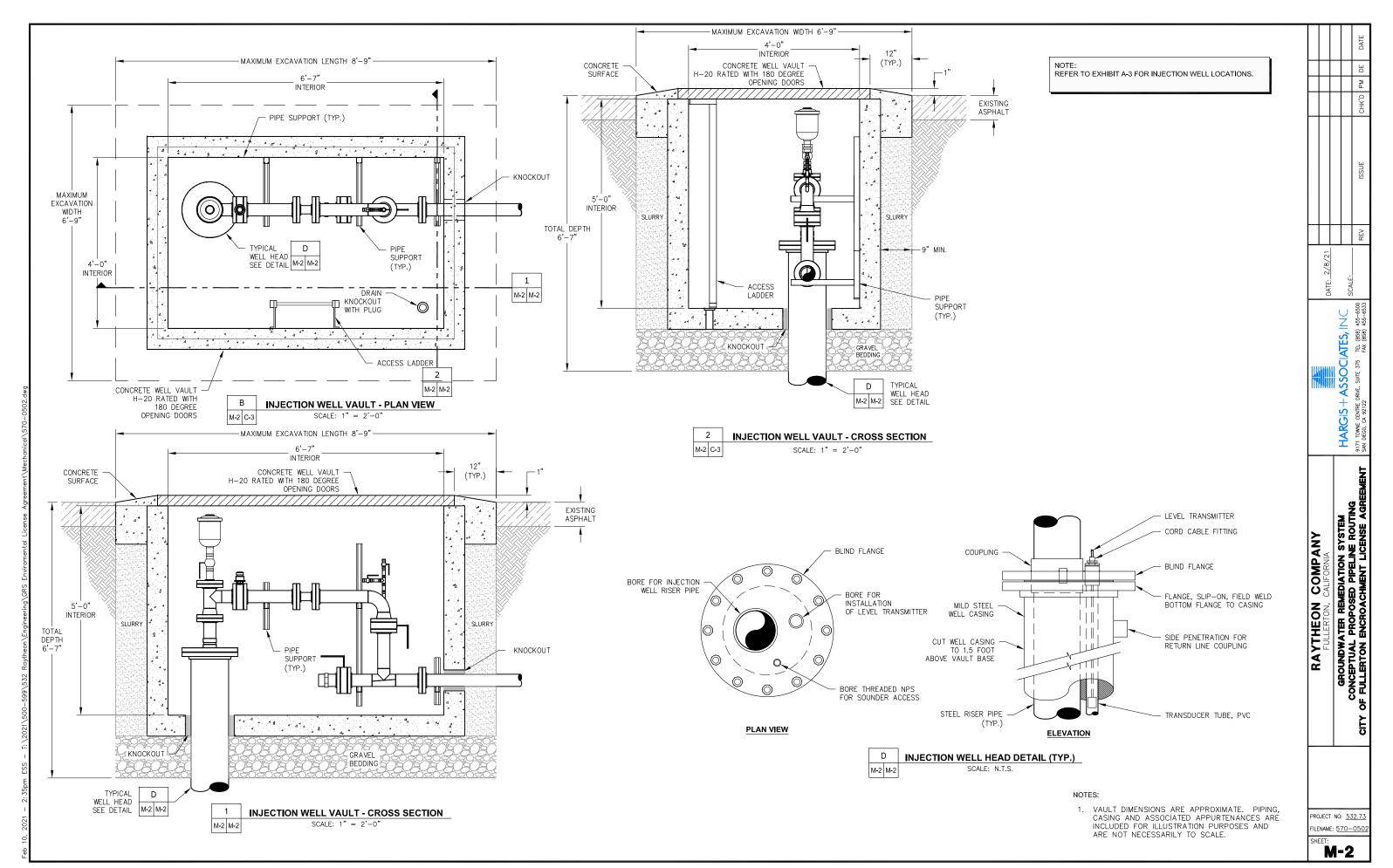
#### NOTES

- 1. ASPHALT MIX DESIGN FOR THE BASE COURSE SHALL BE TYPE III/B-2-PG 64-10 (¾" COURSE) AND THE SURFACE COURSE SHALL BE TYPE III/C2-PG 64-10 (½" COURSE), OR AS APPROVED BY THE CITY.
- 2. THE STREET STRUCTURAL ZONE SHALL BE REPLACED WITH 6" CLASS 2 AGGREGATE BASE COMPACTED TO 95% RELATIVE COMPACTION AND AN A.C. SECTION 1" THICKER THAN THE EXISTING SECTION (4" MIN).
- 3. THE INTERMEDIATE BACKFILL ZONE SHALL BE CLASS II AGGREGATE BASE AND PER SECTION 306-1.3 OF THE STANDARD SPECIFICATIONS, COMPACT LIFTS SHALL NOT EXCEED 8 INCHES IN HEIGHT. THE INTERMEDIATE BACKFILL ZONE SHALL BE COMPACTED TO A MINIMUM 90% RELATIVE COMPACTION.
- BEDDING B SHALL BE COMPOSED OF SAND OR OTHER GRANULAR MATERIAL AND SHALL HAVE A MINIMUM S.E. = 60, COMPACTED TO A MINIMUM 90% RELATIVE COMPACTION.
- BEDDING A SHALL BE COMPOSED OF CLASS II AGGREGATE BASE OR SAND OR OTHER GRANULAR MATERIAL (MIN. S.E. = 60) COMPACTED TO 90% RELATIVE COMPACTION.
- 6. THE STREET STRUCTURAL ZONE SHALL BE REPLACED WITH 18" CLASS 2 AGGREGATE BASE COMPACTED TO 95% RELATIVE COMPACTION AND AN A.C. SECTION 1" THICKER THAN THE EXISTING SECTION OR 6" MINIMUM A.C., WHICHEVER IS GREATER.
- 7. THE FINAL A.C. CAP SHALL BE PLACED WITH A SELF-PROPELLED PAVING MACHINE OR AN APPROVED PAVING DEVICE.
- 8. ALL TRENCHING SHALL COMPLY WITH CITY OF FULLERTON STD. 312/313.

OTE.

REFER TO EXHIBIT A-2, A-3, AND A-4 FOR TRENCH SECTION LOCATIONS.





# Exhibit B Standard Insurance Requirements

LICENSEE shall procure and maintain throughout the duration of this Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by LICENSEE, its agents, representatives, employees, consultants or subcontractors. LICENSEE shall provide current evidence of the required insurance in a form acceptable to the LICENSOR 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 clause contained in the License Agreement or the extent to which LICENSEE may be held responsible for payments of damages to persons or property.

#### I. Minimum Scope and Limits of Insurance

- A. Commercial General Liability Insurance. LICENSEE 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 \$5,000,000 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. LICENSEE 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 owned, hired and non-owned automobiles.
- C. Workers' Compensation and Employers' Liability Insurance. LICENSEE 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. Professional Liability Insurance. LICENSEE shall maintain professional liability insurance appropriate to LICENSEE's profession with a limit of not less than \$5,000,000. If policy is written as a "claims made" policy, the retro date of the policy shall be prior to the start of the contract work.
- E. Non-limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which LICENSEE may be held responsible for payments of damages to persons or property.

### II. Captive Insurance

LICENSEE may insure any of the coverages described herein through one or more insurance companies wholly-owned by Raytheon Company or any parent companies, subsidiaries, or affiliates ("Captive Insurer"), provided that this right shall be personal to Raytheon Company and any parent companies, subsidiaries, or affiliates, and shall not apply to any unaffiliated assignees or successors-in-interest.

#### III. Other Insurance Provisions

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

#### A. Commercial General Liability

 The LICENSOR, its elected or appointed officials, officers, and employees are to be covered as additional insureds with respect to liability arising out of work or operations performed by or on behalf of LICENSEE, including materials, parts or equipment furnished in connection with such work or operations. Such coverage as an additional insured shall not be limited to the period of time during which the LICENSEE is

conducting ongoing operations for the LICENSOR 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 LICENSOR, its officers, or employees.

This insurance shall be primary insurance as respects the LICENSOR, 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 LICENSOR, its officers, and employees shall be excess of this insurance and shall not contribute with it.

#### B. Professional Liability.

If the Professional Liability policy is written on a "claims made" basis:

- 1. The Retroactive Date must be shown and must be before the date of the agreement or the beginning of contract work.
- 2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract work.
- 3. If coverage is canceled or non-renewed, and not replaced with another claims made policy form with a Retroactive Date prior to the agreement effective date, LICENSEE must purchase "extended reporting" coverage for a minimum of five (5) years after the completion of the contract work.

### C. Waiver of Subrogation.

LICENSEE hereby grants to LICENSOR a waiver of any right to subrogation which any insurer may require against the LICENSOR by virtue of the payment of any loss under such insurance. LICENSEE agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation but this provision applies regardless of whether or not the LICENSOR has received a waiver of subrogation endorsement from the insurer(s).

### D. All Coverages.

LICENSEE shall not cancel any of the insurance policies described above except with notice to the LICENSOR.

If LICENSEE maintains higher insurance liability limits or has broader coverage than the minimum insurance liability limits shown above, the LICENSOR requires and shall be entitled to all coverage, and to the higher insurance liability limits maintained by LICENSEE. Any available insurance proceeds in excess of the specified minimum insurance liability limits and coverage shall be available to the LICENSOR.

#### E. Subcontractors/sub-consultants.

LICENSEE shall require and verify that all its subcontractors/sub-consultants maintain insurance meeting all the requirements stated herein and LICENSEE shall ensure that LICENSOR is an additional insured on insurance required from subcontractors. Notwithstanding the foregoing, the LICENSOR shall reasonably waive or reduce certain requirements based on the scope of work of any subcontractor/sub-consultant and associated risk.

### F. Special Risks or Circumstances

LICENSOR reserves the right to reasonably modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage or other special circumstances.

### IV. Acceptability of Insurers

All required insurance other than insurance placed with a Captive Insurer shall be placed with insurers with current A.M. 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 authorized to write business in the State of California.

### V. Verification of Coverage

LICENSEE shall furnish the LICENSOR with certificates of insurance which bear original or electronic signatures of authorized agents and which reflect insurer's names and addresses, policy numbers, coverage, and limits. All certificates must be received and approved by LICENSOR before work commences.