

## MEMORANDUM

**TO:** Judge Robert Hebert  
County Judge

8-26-14  
B14-063 (1) #41A

**FROM:** Debbie Kaminski  
Assistant Purchasing Agent

**SUBJECT:** Please sign and date the attached contract(s) approved in  
Commissioners Court on August 26, 2014. Thank you.

**DATE:** August 27, 2014

→ **RETURN TO:** Norma Weaver  
Administrative Assistant  
Purchasing Department  
301 Jackson, Suite 201  
Richmond, Texas 77469

**SportWorks Northwest**



*Sportworks Northwest, Inc.  
15540 Woodinville Redmond Rd NE, #A-200  
Woodinville, WA 98072  
P 425-483-7000  
F 425-488-9001*

August 13, 2014

Fort Bend County  
Purchasing Department  
Travis Annex  
301 Jackson, Suite 201  
Richmond, TX 77469

**Subject: BID 14-603 - Provide and Install Bike Racks for Fort Bend County**

Dear Mr. Annex,

Sportworks is pleased to submit the enclosed response to your aforementioned bid for transit bus bicycle racks. Please note that the proposed bus rack below meets 100% of Fort Bend County's detailed technical specifications.

Sportworks Northwest, Inc. was founded in 1990. We design, engineer, manufacture and assemble all of our transit products in-house from a 25,000 sq. ft. facility located in Woodinville Washington. As a Just-in-Time manufacturer that keeps the majority of work in-house and who is Buy America Certified, Sportworks is able to provide 98% or better on-time delivery and eliminate potential delays associated with multiple outside vendors. Each month more than one million multi-modal trips occur throughout North America on over 60,000 Sportworks Bike-Racks-for-Buses™. Our patented bike rack designs are the most proven and widely used multi-modal solutions in the transit industry.

**SYSTEM DESIGN AND FUNCTIONALITY**

Sportworks is pleased to submit the enclosed response to your BID for two (2) position bicycle racks for transit buses. Based on the specifications and requirements, Sportworks is bidding our Mild Steel Black DL2 bike racks. This is our original and one of our most popular production model bike racks. This rack includes a positive latching system, locking in both the stowed and deployed positions. For additional product specifications on this proposed rack, please review the brochure and rack information included.

**COST AND PRICING:**

Sportworks is pleased to offer the following pricing in response to your aforementioned bid for transit bus bicycle racks. The proposed rack and parts meet 100% of the Fort Bend County's detailed specifications.

Chevy 3500/4500				
100759	Chevy Bracket	52		
100761	Chevy Mount	26		
100760	Install Template	1		
100530	Pivot Plate	26		
Ford E250/350				
100401	Backing Plate	2		
100738	bolt kit	2		
100737	Mounting Plate	2		
Ford E450				
100581	Bolt Kit	4		
100401	Vented backing plate	4		
100737	Vented mounting plate	4		
Freightliner				
100946	Bracket	12		
100728	Pivot Plate	12		
100965	C-bracket and bolt kit	6		
100728	Pivot Plate	6		
100352	DL2 Black Bike Rack	50		
Subtotal		50	\$362.95	\$18,147.50
Freight *			\$70.00	\$3,500.00
Installation**		50	\$225.00	\$11,250.00
<b>TOTAL</b>			<b>\$657.95</b>	<b>\$32,897.50</b>

\* Freight is calculated as one shipment to location

Product shipment will take place 60 business days after PO is received.

\*\*Installation will be completed at Bus Barn location in Sugarland, TX.

Installation dates and schedule will be finalized after BID is awarded.

Please let us know if there are any questions regarding any of the products or information submitted. We appreciate the opportunity to earn Fort Bend County's transit bike rack business and look forward to serving you.

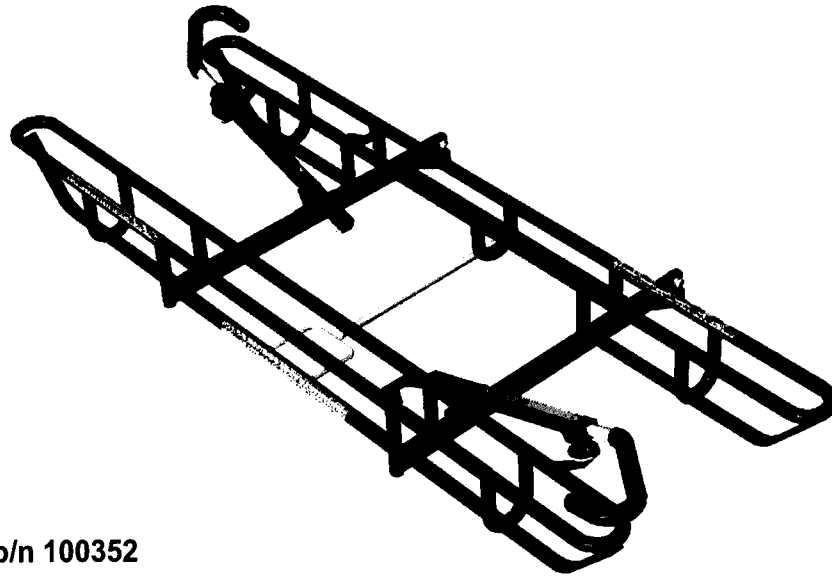
Sincerely,



Meredith Wendt  
Manager, Sales and Support  
425-483-7000  
[meredithw@sportworks.com](mailto:meredithw@sportworks.com)



**DL2**



**Two position bike rack p/n 100352**

## **Features & Benefits**

- The rack contacts bike tires only – no contact to frame means no damage to bicycles
- The rack doesn't require any straps or cords to retain bike – this translates to quick loading and unloading keeping it simple for the passenger and the bus on time
- A minimum number of parts are used on the rack – easy to maintain and simple to understand
- The rack accommodates tire sizes from 20" to 29"/700c and up to a 44" wheel base – fits the majority of commonly used bikes
- Lifting weight to operate the rack is less than 30lbs – this falls well below OSHA and NIOSH limits

## **Available Options**

- Advertising Frame Kit, 13 x 32 P/N100715
- Multi-Language Decals-P/N various
- Deployment Kit-P/N 100352-DPLY or 100501 for existing rack
- Ten Second Bracket (TSB)-P/N various
- Various powder coat color option

## Bid Specifications

Dimensions and Capacities		Benefit
1)	The bicycle rack shall be capable of carrying two bicycles.	Allows customers with bicycles to access the transit system.
2)	The two bicycle rack shall not be greater than 27 inches deep nor more than 65 inches wide.	A small footprint on the front of the bus.
3)	The bicycle rack shall accommodate bicycles with wheel sizes from 20 inches to 29 inches, excluding tandems and recumbent bicycles.	Accommodates the majority of bicycle <u>wheel</u> sizes
4)	The bicycle rack shall accommodate bicycles with a wheelbase dimension of up to 44 inches.	Accommodates the majority of bicycle <u>frame</u> sizes
5)	The bicycle rack shall accommodate tire widths up to 2.35 inches.	Accommodates most mountain bike tires.
6)	The bicycle rack shall secure bicycles up to 55 lbs. per wheel tray while the vehicle is moving. Additionally, the bicycle rack shall support a 250 pound (maximum) centrally located static load when it is deployed and the vehicle is not moving.	Accommodates large and heavily weighted commuter bikes, cruisers and some electric bike models that fall below the per wheel tray weight requirements. The static load feature takes into account non-intended use such as a person standing on the rack to wash the bus window.
Safety and Construction		Benefit
1)	The carrier contacts the bicycle's tires only - no contact is made with the frame of the bicycle.	With no contact points on the frame there is a minimal chance of damage to bicycles on the rack.
2)	The carrier, when stowed allows the safe operation of the coach by locking in place via the latch pin in the pivot plate assembly quadrant.	Keeps bikes safe and secure while the coach is in motion and the rack in place when not in use.
3)	Finish on mild steel parts is powder coated to resist corrosion. Stainless steel is also available and recommended for harsher climates and conditions.	Durable, time tested finish and materials that retain their good looks and protect the rack from corrosion.
4)	Continuous support shall be provided for the rear wheel of the bicycle allowing it to be rolled into the position closest to the bus without lifting	Allows the rider to easily load and unload a bicycle in the position closest to the bus by rolling it into position rather than being forced to lift it into position risking possible back injury.
5)	The bicycle rack shall be mounted to the front of the bus and shall have a deployed and a stowed position.	Increases rack and bicycle visibility for the operator and allows the bus to retain its maneuverability when in the stowed position.
6)	The bicycle rack shall latch securely in both the stowed and the deployed positions.	Keeps bikes safe and secure while the coach is in motion and the rack securely stowed when not in use.
7)	The bicycle rack shall contact the bicycle's tires only - no contact shall be made with the frame of the bicycle.	This assures the bicycle rider a scratch free trip every time.
8)	All outside corners of the bicycle rack shall be rounded.	Rounded corners are friendly to users' legs when loading and unloading their bicycle. This also reduces wear on bus washing systems.
9)	Attaching a bicycle to the rack shall not require the use of any straps or cords.	No straps or cords to wear out during the service life of the unit, further minimizing maintenance costs.
10)	The bicycle rack, when in use shall not interfere with bus access panels or windshield wipers.	The rack fits as closely as possible all the while reducing interference with the face of the coach, including, wipers, vents and access panels.
11)	The bicycle rack support arm shall be self-storing and retained by a magnet, requiring no action from the bicycle rider for proper stowage.	The arm is simply pulled away from the bicycle tire and released. The magnet prevents the support arm from hitting the front of the bus when the bicycle rack is folded up.
12)	The bicycle rack shall be compatible with a mounting bracket that can be completely removed from the bus in less than ten seconds.	Allows the rack with the bracket attached to be quickly removed from the bus in the field for towing or in the shop for seasonal removal or repair.
13)	Maintenance of the bicycle rack shall not require the use of any surface lubrication.	Eliminating the need for liquid lubricants greatly reduces the likelihood of binding due to road debris build-up on moving parts.
14)	The bicycle rack shall be designed specifically for commercial transit use and not for consumer use.	The transit environment will quickly destroy a rack made for occasional consumer use.
15)	The bicycle rack manufacturer shall have a sum of at least 10,000 racks installed at a minimum of 50 transit agencies in North America.	This insures the bicycle rack is a product which is proven in the marketplace
16)	The bicycle rack shall include a warranty against manufacturing defects for a period of one year.	The manufacturer stands behind the product.
Operation		Benefit
1)	The bicycles shall be able to be loaded and unloaded independent of each other.	Allows the user to remove only their bicycle, further promoting quick loading and unloading.
2)	The bicycle rack shall be designed such that the bicycle rider is encouraged to load and unload the bicycle from either the "curb-side" or front of the vehicle.	Ensures the bicycle rider is in a safe location when using the rack.
3)	Lifting weight to stow the bicycle rack shall be less than 30 pounds.	Allows easy one-hand operation and falls well below OSHA and NIOSH limits.
4)	The bicycle rack shall be clearly marked with easy to follow instructions for operation.	Educates the user as to the correct orientation of the bike when loading, further ensuring the shortest loading and unloading time possible.
5)	Orientation of the pedals by the bicycle rider shall not be required when using the rack.	Decreases potential damage to the bicycle being loaded and to a previously loaded bicycle. Reduces load and unload time insuring schedule compliance.
6)	The bicycle rider shall be able to move the bicycle rack from the deployed to the stowed position or the reverse using only one hand.	Allows the bicycle rider to deploy the rack for loading or to stow the rack while using the other hand to hold their bicycle. This also reduces load and unload time insuring schedule compliance.

**Sportworks Northwest, Inc.  
Standard Warranty (Transit Racks)**

**Limited Warranty:** Sportworks Northwest, Inc. ("Sportworks") products ("Product") are warranted to the original purchaser to be free from defects in material and workmanship under normal use and regular service and maintenance for a period of one year from the date of shipment and will be replaced or repaired by Sportworks at Sportworks' option without charge upon inspection by Sportworks confirming that no warranty exclusion applies. Sportworks will pay or reimburse shipping costs for valid warranty claims. Products repaired or replaced during the warranty period shall be covered by the foregoing warranty for the remainder of the original warranty period or ninety (90) days from the date of repair or shipment, whichever is longer. This is the extent of our liability under this warranty and, upon the expiration of the applicable warranty period, all such liability shall terminate.

THIS IS THE SOLE AND EXCLUSIVE WARRANTY GIVEN BY SPORTWORKS WITH RESPECT TO THE PRODUCT AND IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, ARISING BY OPERATION OF LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WHETHER OR NOT THE PURPOSE OR USE HAS BEEN DISCLOSED TO SPORTWORKS IN SPECIFICATIONS, DRAWINGS OR OTHERWISE.

**Warranty Exclusions:** Sportworks does not warrant Products against normal wear and tear, unauthorized modifications, alterations or repairs, improper installation including use on the rear of vehicles, inadequate maintenance, accident, negligence, misuse, damage resulting from misuse, unusual environmental conditions, natural discoloration of materials including color fading and mild surface (non-structural) rust on stainless steel components, or if the Product is used in a manner not recommended by the manufacturer. Sportworks is not responsible for the cost of any unauthorized inspection, disassembly or repair that is not approved in advance by Sportworks. Except as expressly stated in this warranty, we shall not be liable for direct, indirect, incidental, or other types of damages arising out of, or resulting from the use of the Product.

**AUTHORITY OF PARTIES**

No soliciting agent, representative or employee of Sportworks shall have the power to waive any of the terms or provisions hereof, to incur any additional obligations, make any additional representations or warranties on behalf of Sportworks, unless the same is evidenced by an agreement in writing signed by the President of Sportworks.

SPORTWORKS NORTHWEST, INC.  
Reference List 2-Position Bike Racks

Cus Name	Cus City	Cus State	Cus Postal Code	Grand Total
Los Angeles County MTA	Los Angeles	CA	90051-0296	2,575
SEPTA	Philadelphia	PA	19107	500
Toronto Transit Commission	Toronto	ON	M4S 1Z2	483
Detroit Department of Transportation	Detroit	MI	48207	436
Action	Belconnen	ACT	2617	260
Societe de Transport de Laval	Laval	QC	H7S 2C3	256
BC Transit - Victoria	Victoria	BC	V8W 2P3	235
Port Authority of Allegheny County	Pittsburgh	PA	15222-2527	227
City of Edmonton	Edmonton	AB	T5J 2R7	199
Jacksonville Transit Authority	Jacksonville	FL	32203	180
Washington Metro Area Transit Authority	Washington	DC	20001	159
Orange County Trans Authority	Orange	CA	92863-1584	133
Ottawa Carleton RTC	Ottawa	ON	K1G 0Z8	133
MV Transportation	Elkhorn	IA	51531	115
Southwest Ohio Regional Transit Authority	Cincinnati	OH	45202	110
Kansas City Area Transportation Authority	Kansas City	MO	64108	106
Sun Tran of Tucson	Tucson	AZ	85705	103
New Jersey Transit Headquarters (NJT)	Newark	NJ	07105-5519	84
Metro	St. Louis	MO	63188	77
York Region Transit	Richmond Hill	ON	L4B 4N7	76
Santa Monica Municipal Bus Lines/Big Blue Bus	Santa Monica	CA	90407-2200	65
AC Transit	Oakland	CA	94604	55
W&T Travel Services, LLC	Capital Hights	MD	20747	55
Stark Area Regional Transit Authority (SARTA)	Canton	OH	44707	51
Pioneer Valley Transit Authority	Springfield	MA	01107	50
City of Barrie Transit	Barrie	ON	ON L4M 4T5	45
Metropolitan Atlanta Rapid Transit Authority	Atlanta	GA	30324-3330	42
Charlotte Area Transit System	Charlotte	NC	28237-7979	40
Luzerne County Transportation Authority	Kingston	PA	18704	40
State University of New York	Stony Brook	NY	11794-6000	39
Veolia Transportation - NLV	North Las Vegas	NV	89032	36
County of Lackawanna Transit System Authority	Scranton	PA	18504	35
Evansville Metropolitan Transit System	Evansville	IN	47713	35
LANTA	Allentown	PA	18103	35
Region of Waterloo	Kitchener	ON	N2G 4J3	35
Saskatoon Transit Services	Saskatoon	SK	S7L1J3	35
VIA Metropolitan Transit	San Antonio	TX	78212	35
Sacramento RTD	Sacramento	CA	95812-2110	34
Capital Area Transit System	Baton Rouge	LA	70802	33
Capital Area Transit/Veoila	Raleigh	NC	27610	33
Greene County Transit Board	Xenia	OH	45385	32
Poughkeepsie-Dutchess County	Poughkeepsie	NY	12603	32
Riverside Transit Agency	Riverside	CA	92517-1968	31
RTD Denver	Denver	CO	80202	28
Indianapolis Public Trans Corp	Indianapolis	IN	46222	26
LYNX	Orlando	FL	32801	26
First Transit #55820	Commerce City	CO	80022	25
Greater Richmond Transit Co.	Richmond	VA	23224	25
San Mateo County Transit District	San Carlos	CA	94070	25
Champaign-Urbana MTD	Urbana	IL	61802-2009	23
City of Calgary / Calgary Transit	Calgary	AB	T2P 2M5	23
Hampton Roads Transit	Hampton	VA	23661	22
Quad City Garage Policy Group	Moline	IL	61265	22

SPORTWORKS NORTHWEST, INC.  
Reference List 2-Position Bike Racks

Eastern Contra Costa Trans Auth - Tri Delta Transit	Antioch	CA	94509	21
Intermountain Coach	Colorado Springs	CO	80909	21
Brandon Transit	Brandon	MB	R7A 6A2	20
Greater Roanoke Transit Company	Roanoke	VA	24013	20
Hillsborough Area Regional Transit	Tampa	FL	33605	20

**Vendor Information**

Sportworks Northwest, Inc.  
Legal Name of Contracting Company

\_\_\_\_\_  
Federal ID Number (Company or Corporation) or Social Security Number (Individual)

425-483-7000 425-4889001  
Telephone Number Facsimile Number

15540 Wood-Rd Rd NE A-200  
Complete Mailing Address (for Correspondence)

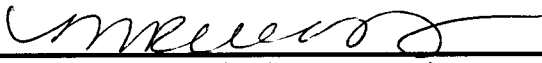
Woodville WA 98072  
City, State and Zip Code

\_\_\_\_\_  
Complete Remittance Address (if different from above)

\_\_\_\_\_  
City, State and Zip Code

Mercedith Wendt, Manager, Sales  
Authorized Representative and Title (printed)

Salesandsupport@Sportworks.com  
Authorized Representative's Email Address

  
Signature of Authorized Representative

Initials of Bidder: \_\_\_\_\_

## 1.0 GENERAL REQUIREMENTS:

- 1.1 Read this entire document carefully. Follow all instructions. You are responsible for fulfilling all requirements and specifications. Be sure you understand them.
- 1.2 General Requirements apply to all advertised bids, however, these may be superseded, whole or in part, by the scope, special requirements, specifications, special specifications or other data contained herein.
- 1.3 Governing Law: Bidder is advised that these requirements shall be fully governed by the laws of the State of Texas and that Fort Bend County may request and rely on advice, decisions and opinions of the Attorney General of Texas and the County Attorney concerning any portion of these requirements.
- 1.4 Bid Form Completion: Fill out, sign, and return to the Fort Bend County Purchasing Department ONE (1) complete bid form. An authorized representative of the bidder must sign the Contract Sheet. The contract will be binding only when signed by the County Judge, Fort Bend County and a purchase order authorizing the item(s) desired has been issued. The use of liquid paper is not acceptable and may result in the disqualification of bid. If an error is made, vendor must draw a line through error and initial each change.
- 1.5 Bid Returns: Bidders must return all completed bids to the Fort Bend County Purchasing Department at 301 Jackson, Suite 201, Richmond, Texas no later than 1:30 P.M. on the date specified. Late bids will not be accepted. Bids must be submitted in a sealed envelope, addressed as follows: Fort Bend County Purchasing Agent, Travis Annex, 301 Jackson, Suite 201, Richmond, Texas 77469.
- 1.6 Governing Forms: In the event of any conflict between the terms and provisions of these requirements and the specifications, the specifications shall govern. In the event of any conflict of interpretation of any part of this overall document, Fort Bend County's interpretation shall govern.
- 1.7 Addendums: When specifications are revised, the Fort Bend County Purchasing Department will issue an addendum addressing the nature of the change. Bidders must sign and include it in the returned bid package.
- 1.8 Hold Harmless Agreement: Contractor shall indemnify and hold Fort Bend County harmless from all claims for personal injury, death and/or property damage arising from any cause whatsoever, resulting directly or indirectly from contractor's performance. Contractor shall procure and maintain, with respect to the subject matter of this bid, appropriate insurance coverage including, as a minimum, public liability and property damage with adequate limits to cover contractor's liability as may arise directly or indirectly from work performed under terms of this bid. Certification of such coverage must be provided to the

Initials of Bidder: TM

County upon request.

- 1.9 Waiver of Subrogation: Bidder and bidder's insurance carrier waive any and all rights whatsoever with regard to subrogation against Fort Bend County as an indirect party to any suit arising out of personal or property damages resulting from bidder's performance under this agreement.
- 1.10 Severability: If any section, subsection, paragraph, sentence, clause, phrase or word of these requirements or the specifications shall be held invalid, such holding shall not affect the remaining portions of these requirements and the specifications and it is hereby declared that such remaining portions would have been included in these requirements and the specifications as though the invalid portion had been omitted.
- 1.11 Bonds: If this bid requires submission of bid guarantee and performance bond, there will be a separate page explaining those requirements. Bids submitted without the required bid bond or cashier's checks are not acceptable.
- 1.12 Taxes: Fort Bend County is exempt from all federal excise, state and local taxes unless otherwise stated in this document. Fort Bend County claims exemption from all sales and/or use taxes under Chapter 20, Title 122a, Vernon's Texas Civil Statutes, as amended. Texas Limited Sales Tax Exemption Certificates will be furnished upon written request to the Fort Bend County Purchasing Department.
- 1.13 Fiscal Funding: A multi-year lease or lease/purchase arrangement (if requested by the specifications), or any contract continuing as a result of an extension option, must include fiscal funding out. If, for any reason, funds are not appropriated to continue the lease or contract, said lease or contract shall become null and void. After expiration of the lease, leased equipment shall be removed by the bidder from the using department without penalty of any kind or form to Fort Bend County. All charges and physical activity related to delivery, installation, removal and redelivery shall be the responsibility of the bidder.
- 1.14 Pricing: Prices for all goods and/or services shall be firm for the duration of this contract and shall be stated on the bid sheet. Prices shall be all inclusive. No price changes, additions, or subsequent qualifications will be honored during the course of the contract. All prices must be written in ink or typewritten. Pricing on all transportation, freight, and other charges are to be prepaid by the contractor and included in the bid prices. If there are any additional charges of any kind, other than those mentioned above, specified or unspecified, bidder MUST indicate the items required and attendant costs or forfeit the right to payment for such items.
- 1.15 Silence of Specifications: The apparent silence of specifications as to any detail, or the apparent omission from it of a detailed description concerning any point, shall be regarded as meaning that only the best commercial practice is to prevail

Initials of Bidder: MW

and that only material and workmanship of the finest quality are to be used. All interpretations of specifications shall be made on the basis of this statement. The items furnished under this contract shall be new, unused of the latest product in production to commercial trade and shall be of the highest quality as to materials used and workmanship. Manufacturer furnishing these items shall be experienced in design and construction of such items and shall be an established supplier of the item bid.

- 1.16 Supplemental Materials: Bidders are responsible for including all pertinent product data in the returned bid package. Literature, brochures, data sheets, specification information, completed forms requested as part of the bid package and any other facts which may affect the evaluation and subsequent contract award should be included. Materials such as legal documents and contractual agreements, which the bidder wishes to include as a condition of the bid, must also be in the returned bid package. Failure to include all necessary and proper supplemental materials may be cause to reject the entire bid.
- 1.17 Material Safety Data Sheets: Under the "Hazardous Communication Act", commonly known as the "Texas Right To Know Act", a bidder must provide to County and using departments, with each delivery, material safety data sheets, which are, applicable to hazardous substances defined in the Act. Bidders are obligated to maintain a current, updated file in the Fort Bend County Purchasing Department. Failure of the bidder to maintain such a file will be cause to reject any bid applying thereto.
- 1.18 Name Brands: Specifications may reference name brands and model numbers. It is not the intent of Fort Bend County to restrict these bids in such cases, but to establish a desired quality level of merchandise or to meet a pre-established standard due to like existing items. Bidders may offer items of equal stature and the burden of proof of such stature rests with them. Fort Bend County shall act as sole judge in determining equality and acceptability of products offered.
- 1.19 Color Selection: Determination of colors of materials is a right reserved by the using department unless otherwise specified in the bid. Unspecified colors shall be quoted as standard colors, not colors, which require up charges or special handling. Unspecified fabrics or vinyl should be construed as medium grade. If bidder fails to get color/material approvals prior to delivery of merchandise, the using department may refuse to accept the items and demand correct shipment without penalty, subject to other legal remedies.
- 1.20 Evaluation: Evaluation shall be used as a determinant as to which bid items or services are the most efficient and/or most economical for the County. It shall be based on all factors, which have a bearing on price and performance of the items in the user environment. All bids are subject to tabulation by the Fort Bend County Purchasing Department and recommendation to Fort Bend County Commissioners Court. Compliance with all bid requirements, delivery and needs

Initials of Bidder: MW

of the using department are considerations in evaluating bids. Pricing is NOT the only criteria for making a recommendation. The Fort Bend County Purchasing Department reserves the right to contact any bidder, at any time, to clarify, verify or request information with regard to any bid.

- 1.21 Inspections: Fort Bend County reserves the right to inspect any item(s) or service location for compliance with specifications and requirements and needs of the using department. If a bidder cannot furnish a sample of a bid item, where applicable, for review, or fails to satisfactorily show an ability to perform, the County can reject the bid as inadequate.
- 1.22 Testing: Fort Bend County reserves the right to test equipment, supplies, material and goods bid for quality, compliance with specifications and ability to meet the needs of the user. Demonstration units must be available for review. Should the goods or services fail to meet requirements and/or be unavailable for evaluation, the bid is subject to rejection.
- 1.23 Disqualification of Bidder: Upon signing this bid document, a bidder offering to sell supplies, materials, services, or equipment to Fort Bend County certifies that the bidder has not violated the antitrust laws of this state codified in section 15.01, et seq., Business & Commerce Code, or the federal antitrust laws, and has not communicated directly or indirectly the bid made to any competitor or any other person engaged in such line of business. Any or all bids may be rejected if the County believes that collusion exists among the bidders. Bids in which the prices are obviously unbalanced may be rejected. If multiple bids are submitted by a bidder and after the bids are opened, one of the bids is withdrawn, the result will be that all of the bids submitted by that bidder will be withdrawn; however, nothing herein prohibits a vendor from submitting multiple bids for different products or services.
- 1.24 Awards: Fort Bend County reserves the right to award this contract on the basis of lowest and best bid in accordance with the laws of the State of Texas, to waive any formality or irregularity, to make awards to more than one bidder, to reject any or all bids. In the event the lowest dollar bidder meeting specifications is not awarded a contract, the bidder may appear before the Commissioners Court and present evidence concerning his responsibility. An award is final only upon formal execution by the Fort Bend County Commissioners Court or the Fort Bend County Purchasing Agent. Fort Bend County reserves the right to withdraw any award until execution by the proper authority.
- 1.25 Assignment: The successful vendor may not assign, sell or otherwise transfer this contract without written permission of Fort Bend County Commissioners Court.
- 1.26 Term Contracts: If the contract is intended to cover a specific time period, said time will be given in the specifications under scope.

Initials of Bidder: AMW

- 1.27 Maintenance: Maintenance required for equipment bid should be available in Fort Bend County by a manufacturer authorized maintenance facility. Costs for this service shall be shown on the bid sheet as requested or on a separate sheet, as required. If Fort Bend County opts to include maintenance, it shall be so stated in the purchase order and said cost will be included. Service will commence only upon expiration of applicable warranties and should be priced accordingly.
- 1.28 Contract Obligation: Fort Bend County Commissioners Court must award the contract and the County Judge or other person authorized by the Fort Bend County Commissioners Court must sign the contract before it becomes binding on Fort Bend County or the bidders. Department heads are not authorized to sign agreements for Fort Bend County. Binding agreements shall remain in effect until all products and/or services covered by this purchase have been satisfactorily delivered and accepted.
- 1.29 Title Transfer: Title and Risk of Loss of goods shall not pass to Fort Bend County until Fort Bend County actually receives and takes possession of the goods at the point or points of delivery. Receiving times may vary with the using department. Generally, deliveries may be made between 8:30 a.m. and 4:00 p.m., Monday through Friday. Bidders are advised to consult the using department for instructions. The place of delivery shall be shown under the "Special Requirement" section of this bid document and/or on the Purchase Order as a "Ship To:" address.
- 1.30 Purchase Order and Delivery: The successful bidder shall not deliver products or provide services without a Fort Bend County Purchase Order, signed by an authorized agent of the Fort Bend County Purchasing Department. The fastest, most reasonable delivery time shall be indicated by the bidder in the proper place on the bid sheet. Any special information concerning delivery should also be included, on a separate sheet, if necessary. All items shall be shipped F.O.B. inside delivery unless otherwise stated in the specifications. This shall be understood to include bringing merchandise to the appropriate room or place designated by the using department. Every tender or delivery of goods must fully comply with all provisions of these requirements and the specifications including time, delivery and quality. Nonconformance shall constitute a breach, which must be rectified prior to expiration of the time for performance. Failure to rectify within the performance period will be considered cause to reject future deliveries and cancellation of the contract by Fort Bend County without prejudice to other remedies provided by law. Where delivery times are critical, Fort Bend County reserves the right to award accordingly.
- 1.31 Contract Extension: Extensions may be made only by written agreement between Fort Bend County and the bidder. Any price escalations are limited to those stated by the bidder in the original bid.
- 1.32 Termination: Fort Bend County reserves the right to terminate the contract for

Initials of Bidder: MM

default if Seller breaches any of the terms therein, including warranties of bidder or if the bidder becomes insolvent or commits acts of bankruptcy. Such right of termination is in addition to and not in lieu of any other remedies, which Fort Bend County may have in law or equity. Default may be construed as, but not limited to, failure to deliver the proper goods and/or services within the proper amount of time, and/or to properly perform any and all services required to Fort Bend County's satisfaction and/or to meet all other obligations and requirements. Contracts may be terminated without cause upon thirty (30) days written notice to either party unless otherwise specified.

- 1.33 Recycled Materials: Fort Bend County encourages the use of products made of recycled materials and shall give preference in purchasing to products made of recycled materials if the products meet applicable specifications as to quantity and quality. Fort Bend County will be the sole judge in determining product preference application.
- 1.34 Interlocal Participation: Additional governmental entities may purchase from this bid. Vendor agrees to accept purchase orders from those participating entities and to invoice each entity separately.
- 1.35 Escalation Clause: Successful bidder may apply for a price increase to the Fort Bend County Commissioners Court. Price increase will be the amount increased to the vendor from his supplier. Written documentation of the increase must be provided to the Purchasing Agent. No application for a price increase may be submitted within the first four (4) months of this contract. Increases of more than 25% of the original bid price will not be considered.

## **2.0 TERMS AND CONDITIONS:**

- 2.1 Seller to Package Goods: Seller will package goods in accordance with good commercial practice. Each delivery container shall be clearly and permanently marked as follows (a) Seller's name and address; (b) Consignee's name, address and purchase order number and the bid number if applicable; (c) Container number and total number of containers (e.g. box 1 of 4 boxes); and (d) the number of the container bearing the packing slip. Seller shall bear cost of packaging unless otherwise provided. Goods shall be suitably packed to secure lowest transportation costs and to conform to requirements of common carriers and any applicable specifications. Fort Bend County's count or weight shall be final and conclusive on shipments not accompanied by packing list.
- 2.2 Shipment Under Reservation Prohibited: Seller is not authorized to ship goods under reservation and no tender of a bill of lading will operate as a tender of goods.
- 2.3 Title and Risk of Loss: The title and risk of loss of the goods shall not pass to the County until a County employee actually receives and takes possession of the

Initials of Bidder: MW

goods at the point or points of delivery.

- 2.4 Delivery Terms: F.O.B. Destination Freight Prepaid, Inside Delivery, unless delivery terms are specified otherwise on Purchase Order.
- 2.5 No Replacement of Defective Tender: Every tender or delivery of goods must fully comply with all provisions of the Purchase Order as to time of delivery, quality and the like. If a tender is made which does not fully conform, this shall constitute a breach and Seller shall not have the right to substitute a conforming tender.
- 2.6 Place of Delivery: The place of delivery shall be that set forth in the block of the purchase order entitled "Ship To". Any change thereto shall be effective by modification as provided for in Clause number 2.20 "Modifications", hereof. The terms of this agreement are "no arrival, no sale", at the discretion of Fort Bend County.
- 2.7 Invoices and Payments:
  - 2.7.1 Seller shall submit separate invoices, in duplicate. Invoices shall indicate the purchase order number and the bid number if applicable. Invoices shall be itemized and transportation charges, if any, shall be listed separately. A copy of the bill of lading, and the freight waybill when applicable should be attached to the invoice.
  - 2.7.2 Fort Bend County's obligation is payable only and solely from funds available for the purpose of this purchase. Lack of funds shall render the order null and void to the extent funds are not available and any delivered but unpaid goods will be returned to Seller by the county.
  - 2.7.3 Do not include Federal Excise, State, or City Sales Tax. Fort Bend County is a tax-exempt governmental entity.
- 2.8 Gratuities: Fort Bend County may, by written notice to the Seller, cancel any order without liability, if it is determined by the County that gratuities, in the form of entertainment, gifts, or otherwise were offered or given by the Seller, or any agent or representative of the Seller to any officer or employee of Fort Bend County with a view toward securing an order. In the event an order is canceled by the County pursuant to this provision, the County shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by Seller in providing such gratuities.
- 2.9 Special Tools and Test Equipment: If the price stated on the face of an order includes the cost of any special tooling or special test equipment fabricated or required by Seller for the purpose of filing this order, such special tooling equipment and any process sheets related thereto shall become the property of the

Initials of Bidder: *MLJ*

County and to the extent feasible shall be identified by the Seller as such.

2.10 Warranty/Price:


2.10.1 The price to be paid by the County shall be that contained in Seller's quote or bid which Seller warrants to be no higher than Seller's current prices on orders by others for products of the kind and specification covered by an order for similar quantities under similar or like conditions and methods of purchase. In the event Seller breaches this warranty the prices of the items shall be reduced to the Seller's current prices on orders by others. Fort Bend County may cancel this contract without liability.

2.10.2 The Seller warrants that no person or selling agency has been employed or retained to solicit or secure any County order based upon any agreement or understanding for commission, percentage, brokerage, or contingent fee excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Seller for the purpose of securing business. A breach or violation of this warranty gives the County the right, in addition to any other right or rights, to cancel this contract without liability.

2.11 Warranty Product: Seller shall not limit or exclude any implied warranties and any attempt to do so shall render an order voidable at the option of the County. Seller warrants that the goods furnished will conform to the specifications, drawings, and description listed in the bid invitation and purchase order as applicable, and to the sample(s) furnished by Seller if any. In the event of a conflict between the specifications, drawings, and descriptions, the specifications shall govern.


2.12 Safety Warranty: Seller warrants that the product sold to Fort Bend County shall conform to the standards promulgated by the U.S. Department of Labor under the Occupational Safety and Health Act of 1970. In the event the product does not conform to OSHA standards, the County may return the product for correction or replacement at the Seller's expense. In the event Seller fails to make the appropriate correction within 10 days, correction made by the County will be at Seller's expense.

2.13 No Warranty by Fort Bend County Against Infringements: As part of a contract for sale Seller agrees to ascertain whether goods manufactured in accordance with the specifications will give rise to the rightful claim of any third person by way of infringement. Fort Bend County makes no warranty that the production of goods according to the specification will not give rise to such a claim and in no event shall Fort Bend County be liable to Seller for indemnification in the event the Seller is sued on the grounds of infringement or the like. If Seller is of the opinion that an infringement will result, he will notify Fort Bend County to this effect in writing within two days after the receiving Purchase Order. If the


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County does not receive notice and is subsequently held liable for the infringement, Seller will defend and save the County harmless. If Seller in good faith ascertains that production of the goods in accordance with the specifications will result in infringement, this contract shall be null and void except that the County will pay Seller the reasonable cost of his search as to infringements.

- 2.14 Right of Inspection: The County shall have the right to inspect the goods at delivery before accepting them.
- 2.15 Cancellation: Fort Bend County shall have the right to cancel for default all or any part of the undelivered portion of an order if Seller breaches any of the terms hereof including warranties of Seller, or if the Seller becomes insolvent or files for protection under the bankruptcy laws. Such rights of cancellation are in addition to and not in lieu of any other remedies, which Fort Bend County may have in law or equity.
- 2.16 Termination: The performance of work under a Purchase Order may be terminated in whole or in part by the County in accordance with this provision. Termination of work there under shall be effected by the delivery to the Seller of a "Notice of Termination" specifying the extent to which performance of work under the order is terminated and the date upon which such termination becomes effective. Such right of termination is in addition to and not in lieu of rights of Fort Bend County set forth in Clause 15 herein.
- 2.17 Force Majeure: Force Majeure means a delay encountered by a party in the performance of its obligations under this Agreement, which is caused by an event beyond the reasonable control of that party. Without limiting the generality of the foregoing, "Force Majeure" shall include but not be restricted to the following types of events: acts of God or public enemy; acts of governmental or regulatory authorities; fires, floods, epidemics or serious accidents; unusually severe weather conditions; strikes, lockouts, or other labor disputes; and defaults by subcontractors. In the event of a Force Majeure, the affected party shall not be deemed to have violated its obligations under this Agreement, and the time for performance of any obligations of that party shall be extended by a period of time necessary to overcome the effects of the Force Majeure, provided that the foregoing shall not prevent this Agreement from terminating in accordance with the termination provisions. If any event constituting a Force Majeure occurs, the affected party shall notify the other parties in writing, within twenty-four (24) hours, and disclose the estimated length of delay, and cause of the delay.
- 2.18 Assignment-Delegation: No right or interest in an order shall be assigned or delegation of any obligation made by Seller without the written permission of Fort Bend County. Any attempted assignment or delegation by Seller shall be wholly void and totally ineffective for all purposes unless made in conformity with this paragraph.

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- 2.19 Waiver: No claim or right arising out of a breach of any contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waived or renunciation is supported by consideration and is in writing signed by the aggrieved party.
- 2.20 Modification: A Purchase Order can be modified or rescinded only by a writing signed by both of the parties or their duly authorized agents.
- 2.21 Parol Evidence: This writing is intended by the parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of this agreement. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any terms rendered under this agreement and shall not be relevant to determine the meaning of this agreement even though the accepting or acquiescing party has knowledge of the performance and opportunity for objection. Whenever a term defined by the Uniform Commercial Code is used in this agreement, the definition contained in the Code is to control.
- 2.22 Applicable Law: This agreement shall be governed by the Uniform Commercial Code. Whenever the term "Uniform Commercial Code" is used it shall be construed as meaning the Uniform Commercial Code as adopted in the State of Texas and in effect on the date of the purchase order.
- 2.23 Advertising: Seller shall not advertise or publish, without the County's prior consent the fact that Fort Bend County has entered into any contract, except to the extent necessary to comply with proper requests for information from an authorized representative of the federal, state, or local government.
- 2.24 Right to Assurance: Whenever the County in good faith has reason to question the other party's intent to perform. The County may demand that the other party give written assurance of his intent to perform. In the event that a demand is made and no assurance is given within five (5) days, the County may treat this failure as an anticipatory repudiation of the contract.
- 2.25 Venue: Both parties agree that venue for any litigation arising from this contract shall lie in Richmond, Fort Bend County, Texas.
- 2.26 Prohibition Against Personal Interest in Contracts: No officer or employee of the County shall have a financial interest, direct or indirect, in any contract with the County, or shall be financially interested, directly or indirectly, in the sale to the County of any land, materials, supplies, or service, except on behalf of the County as an officer or employee. Any willful violation of this section shall constitute malfeasance in office, and any officer or employee guilty thereof shall be subject to disciplinary action under applicable laws, statutes and codes of the State of Texas. Any violation of this section, with the knowledge, expressed or implied of the person or corporation contracting with the County shall render the contract

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involved voidable by the County Commissioners Court.

### **3.0 SCOPE:**

It is the intent of Fort Bend County to contract with one (1) vendor for all materials, supplies, equipment, tools, services, labor and supervision necessary to provide and install a minimum of fifty (50) and maximum of seventy-five (75) bus bike racks, which meets or exceeds the following specifications.

### **4.0. BID FORM COMPLETION:**

**Fill out, initial each page, SIGN CONTRACT SHEET, and return to the Fort Bend County Purchasing Department ONE (1) complete bid form. An authorized representative of the bidder MUST sign the contract sheet.** The contract will be binding only when signed by the County Judge, Fort Bend County and a purchase order authorizing the item(s) desired has been issued. The use of liquid paper is **NOT** acceptable and may result in the disqualification of bid. If an error is made, vendor **MUST** draw a line through error and initial each change.

### **5.0 Insurance:**


- 5.1 All respondents must submit, with BID, a certificate of insurance indicating coverage in the amounts stated below. In lieu of submitting a certificate of insurance, respondents may submit, with SOQ, a notarized statement from an Insurance company, authorized to conduct business in the State of Texas, and acceptable to Fort Bend County, guaranteeing the issuance of an insurance policy, with the coverage stated below, to the contractor named therein, if successful, upon award of this Contract. Failure to provide insurance certificate or notarized statement will result in disqualification of submittal.
- 5.2 The certificates of insurance to be satisfactory to Fort Bend County, naming the Contractor and its employees as insured:
  - 5.2.1 Workers Compensation in accordance with the laws of the State of Texas. Substitutes to genuine Workers' Compensation Insurance will not be allowed.
  - 5.2.2 Employers' Liability insurance with limits of not less than \$1,000,000 per injury by accident, \$1,000,000 per injury by disease, and \$1,000,000 per bodily injury by disease.
  - 5.2.3 Commercial general liability insurance with a limit of not less than \$1,000,000 each occurrence and \$2,000,000 in the annual aggregate. Policy shall cover liability for bodily injury, personal injury, and property damage and products/completed operations arising out of the business operations of the policyholder.

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- 5.2.4 Business Automobile Liability coverage applying to owned, non-owned and hired automobiles with limits not less than \$1,000,000 each occurrence combined single limit for Bodily Injury and Property Damage combined.
- 5.3 County and the members of Commissioners Court shall be named as additional insured to all required coverage except for Workers' Compensation and Professional Liability (if required). All Liability policies written on behalf of Contractor shall contain a waiver of subrogation in favor of County and members of Commissioners Court.
- 5.4 If required coverage is written on a claims-made basis, Contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of the Contract and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of 2 years beginning from the time the work under this Contract is completed.
- 5.5 Contractor shall not commence any portion of the work under this Contract until it has obtained the insurance required herein and certificates of such insurance have been filed with and approved by Fort Bend County.
- 5.6 No cancellation of or changes to the certificates, or the policies, may be made without sixty (60) days prior, written notification to Fort Bend County.
- 5.7 Approval of the insurance by Fort Bend County shall not relieve or decrease the liability of the Contractor.
- 5.8 Builders Risk Insurance: Contractor shall obtain and keep in full force and effect until the Transfer Date, Builders Risk Insurance, subject to policy terms and conditions, of direct physical loss or damage to property, materials, equipment and supplies which are to become an integral part of the Project, whether owned by Contractor, or subcontractors of every tier, and in which one or more of same has an insurable interest, while in transit, while at the Construction Site awaiting construction, during construction, and until the Transfer Date. Such insurance shall be maintained to cover, as nearly as practicable, the insurable value of such property, materials, equipment and supplies at risk, and shall contain a waiver of subrogation in favor of Contractor, Architect, subcontractors of any tier and Owner for loss or damage occurring during the Work and shall name Contractor as the named insured and Owner as additional insureds. All Builder's Risk Insurance proceeds shall be paid directly to the Contractor.


**6.0 Indemnification:**

**RESPONDENT SHALL SAVE HARMLESS COUNTY FROM AND AGAINST ALL CLAIMS, LIABILITY, AND EXPENSES, INCLUDING REASONABLE ATTORNEYS FEES, ARISING FROM ACTIVITIES OF RESPONDENT, ITS AGENTS, SERVANTS OR EMPLOYEES,**

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**PERFORMED UNDER THIS AGREEMENT THAT RESULT FROM THE  
NEGLIGENT ACT, ERROR, OR OMISSION OF RESPONDENT OR ANY  
OF RESPONDENT'S AGENTS, SERVANTS OR EMPLOYEES.**

- 6.1 Respondent shall timely report all such matters to Fort Bend County and shall, upon the receipt of any such claim, demand, suit, action, proceeding, lien or judgment, not later than the fifteenth day of each month; provide Fort Bend County with a written report on each such matter, setting forth the status of each matter, the schedule or planned proceedings with respect to each matter and the cooperation or assistance, if any, of Fort Bend County required by Respondent in the defense of each matter.
- 6.2 Respondent's duty to defend, indemnify and hold Fort Bend County harmless shall be absolute. It shall not abate or end by reason of the expiration or termination of any contract unless otherwise agreed by Fort Bend County in writing. The provisions of this section shall survive the termination of the contract and shall remain in full force and effect with respect to all such matters no matter when they arise.
- 6.3 In the event of any dispute between the parties as to whether a claim, demand, suit, action, proceeding, lien or judgment appears to have been caused by or appears to have arisen out of or in connection with acts or omissions of Respondent, Respondent shall never-the-less fully defend such claim, demand, suit, action, proceeding, lien or judgment until and unless there is a determination by a court of competent jurisdiction that the acts and omissions of Respondent are not at issue in the matter.
- 6.4 Respondent's indemnification shall cover, and Respondent agrees to indemnify Fort Bend County, in the event Fort Bend County is found to have been negligent for having selected Respondent to perform the work described in this request.
- 6.5 The provision by Respondent of insurance shall not limit the liability of Respondent under an agreement.
- 6.6 Respondent shall cause all trade contractors and any other contractor who may have a contract to perform construction or installation work in the area where work will be performed under this request, to agree to indemnify Fort Bend County and to hold it harmless from all claims for bodily injury and property damage that arise may from said Respondent's operations. Such provisions shall be in form satisfactory to Fort Bend County.
- 6.7 Loss Deduction Clause - Fort Bend County shall be exempt from, and in no way liable for, any sums of money which may represent a deductible in any insurance policy. The payment of deductibles shall be the sole responsibility of Respondent and/or trade contractor providing such insurance.

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## 7.0 FORT BEND COUNTY REPRESENTATIVE:

Point of contact for this contract is Debbie Kaminski, CPPB, Assistant County Purchasing Agent, [Debbie.Kaminski@fortbendcountytexas.gov](mailto:Debbie.Kaminski@fortbendcountytexas.gov). Deadline for submitting questions: August 7, 2014 3PM (CST).


## 8.0 SPECIFICATIONS AND PRICING:

Must be new current production models. Sportworks 100352 or equal (see Section 1.18 above). If bidding an equal vendor must provide manufacturer literature. **All prices are FOB Fort Bend County.**


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### *State manufacturer bidding*

- 8.1 Capable of carrying two (2) bicycles.
- 8.2 Not be greater than 27 inches deep nor more than 65 inches wide.
- 8.3 Shall accommodate bicycles with wheel sizes from 20 inches to 29 inches, excluding tandems and recumbent bicycles.
- 8.4 Shall accommodate bicycles with a wheelbase dimension of up to 44 inches.
- 8.5 Shall accommodate tire widths up to 2.35 inches.
- 8.6 Shall secure bicycles up to 55 lbs. per wheel tray while the vehicle is moving. Additionally, the bicycle rack shall support a 250 pound (maximum) centrally located static load when it is deployed and the vehicle is not moving.
- 8.7 The carrier, when stowed allows the safe operation of the coach by locking in place via the latch pin in the pivot plate assembly quadrant.
- 8.8 Finish on mild steel parts is powder coated and/or stainless steel to resist corrosion.
- 8.9 Continuous support shall be provided for the rear wheel of the bicycle allowing it to be rolled into the position closest to the bus without lifting.
- 8.10 Shall be mounted to the front of the bus and shall have a deployed and a stowed position. This increases rack and bicycle visibility for the operator and allows the bus to retain its maneuverability when in the stowed position.
- 8.11 Shall latch securely in both the stowed and the deployed positions.
- 8.12 Shall contact the bicycle's tires only - no contact shall be made with the frame of the bicycle. This assures the bicycle rider a scratch free trip every time.

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- 8.13 All outside corners of the bicycle rack shall be rounded. Rounded corners are friendly to users' legs when loading and unloading their bicycle. This also reduces wear on bus washing systems.
- 8.14 Shall not require the use of any straps or cords.
- 8.15 When in use shall not interfere with bus access panels or windshield wipers.
- 8.16 Support arm shall be self-storing and retained by a magnet, requiring no action from the bicycle rider for proper stowage.
- 8.17 Shall be compatible with a mounting bracket that can be completely removed from the bus in less than ten seconds.
- 8.18 Maintenance shall not require the use of any surface lubrication.
- 8.19 Shall be designed specifically for commercial transit use and not for consumer use.
- 8.20 Shall include a warranty against manufacturing defects for a period of one (1) year.
- 8.21 Shall be able to be loaded and unloaded independent of each other.
- 8.22 Shall be designed such that the bicycle rider is encouraged to load and unload the bicycle from either the "curb-side" or front of the vehicle.
- 8.23 Lifting weight to stow the bicycle rack shall be less than 30 pounds.
- 8.24 Shall be clearly marked with easy to follow instructions for operation.
- 8.25 Contractor to provide the installation location for installing the bus racks. The facility proposed must be within 50 miles of Sugar Land, Texas. It is preferred that facility location be included in the proposal submission. Facility location must be approved by Fort Bend County. If not included with proposal submission, facility location must be provided within seven (7) business days of award notice.
- 8.26 Contractor is advised that the fleet involved in this project is Fort Bend County's first line fleet used in daily operation. Fort Bend County has a limited number of spare vehicles available to continue service while rack installations are taking place. As such, a minimum "out of service" time is desirable. Fort Bend County's preference is for rack installations to occur when the transit fleet is not in use (after 8 p.m. weekdays or anytime on weekends). Fort Bend County understands that rack installation time will vary per vehicle size/shape. A "no later than" turn-around time to complete installation is required and will be negotiated relative to vehicle size/shape. Failure to meet the negotiated turn-around timeframe will

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result in a percentage deduction from the cost of installation. This percentage will be negotiated; however Contractor should expect this percentage to be as little as 5% and as high as 20%. If unable to complete installation on weekday evenings and on weekends, contractor to submit detailed proposed solution.

- 8.27 Contractor must coordinate vehicle transfers with Bend County Transportation Operations and the County's operations contractor. As the fleet is used in daily service, Contractor should expect vehicle availability for transfer to installation location or return to Fort Bend County to be outside of normal business hours.


## **9.0 REFERENCES:**

Vendor to provide references of installing a sum of at least 5,000 bike racks installed at a minimum of 20 transit agencies in North America. This insures the bicycle rack is a product which is proven in the marketplace.

## **10.0 FEDERAL CLAUSES:**

- 10.1 No Government Obligation to Third Parties. Fort Bend County and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this contract and shall not be subject to any obligations or liabilities to Fort Bend County, Contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract. Contractor agrees to include this clause in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

10.2 Program Fraud and False or Fraudulent Statement and Related Acts. Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. Part 31, apply to its actions pertaining to this Project. Upon execution of the underlying contract, Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or the FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on Contractor to the extent the Federal Government deems appropriate.

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Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on Contractor, to the extent the Federal Government deems appropriate.


Contractor agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

- 10.3 Access to Records and Reports. Contractor agrees to provide Fort Bend County, the FTA Administrator, the Comptroller General of the United States or any of their authorized representatives access to any books, documents, papers and records of Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions. Contractor also agrees, pursuant to 49 C.F.R. 633.17 to provide the FTA Administrator or his authorized representatives including any PMO Contractor access to Contractor's records and construction sites pertaining to a major capital project, defined at 49 U.S.C. 5302(a)1, which is receiving federal financial assistance through the programs described at 49 U.S.C. 5307, 5309 or 5311. Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

Contractor agrees to maintain all books, records, accounts and reports required under this contract for a period of not less than three years after the date of termination or expiration of this contract, except in the event of litigation or settlement of claims arising from the performance of this contract, in which case Contractor agrees to maintain same until Fort Bend County, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto.

- 10.4 Federal Changes. Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between Fort Bend County and FTA, as they may be amended or promulgated from time to time during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this contract.
- 10.5 Civil Rights Requirements. The following requirements apply to the underlying contract:

Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as

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amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.


**Equal Employment Opportunity** - The following equal employment opportunity requirements apply to the underlying contract:

**Race, Color, Creed, National Origin, Sex** - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, Contractor agrees to comply with any implementing requirements FTA may issue.

**Age** - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § § 623 and Federal transit law at 49 U.S.C. § 5332, Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, Contractor agrees to comply with any implementing requirements FTA may issue.

**Disabilities** - In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, Contractor agrees to comply with any implementing requirements FTA may issue.

Contractor also agrees to include these requirements in each subcontract financed

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in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties.

- 10.6 Disadvantaged Business Enterprise (DBE). This contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs. The national goal for participation of Disadvantaged Business Enterprises (DBE) is 10%. A separate contract goal has not been established for this procurement.

Contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. Contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of this DOT-assisted contract. Failure by Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as Fort Bend County deems appropriate. Each subcontract Contractor signs with a subcontractor must include the assurance in this paragraph (see 49 CFR 26.13(b)).

The successful bidder/offeror will be required to report its DBE participation obtained through race-neutral means throughout the period of performance.

Contractor is required to pay its subcontractors performing work related to this Contract for satisfactory performance of that work no later than 30 days after Contractor's receipt of payment for that work from Fort Bend County. In addition, Contractor is required to return any retainage payments to those subcontractors within 30 days after the subcontractor's work related to this Contract is satisfactorily completed.

Contractor must promptly notify Fort Bend County whenever a DBE subcontractor performing work related to this Contract is terminated or fails to complete its work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. Contractor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without the prior written consent of Fort Bend County.

- 10.7 Incorporation of Federal Transit Administration (FTA) Terms. The preceding provisions include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1E, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. Contractor shall not perform any act, fail to perform any act, or refuse to comply with any Fort Bend County requests which would cause Fort Bend County to be in violation of the FTA terms and conditions.

Initials of Bidder: MW

- 10.8 Government-Wide Debarment and Suspension (Non-Procurement). This contract is a covered transaction for purposes of 49 CFR Part 29. As such, Contractor is required to verify that none of Contractor, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945.

Contractor is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.

By signing and submitting its bid or proposal, the bidder or proposer certifies as follows:

The certification in this clause is a material representation of fact relied upon by Fort Bend County. If it is later determined that the bidder or proposer knowingly rendered an erroneous certification, in addition to remedies available to Fort Bend County, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 49 CFR 29, Subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

- 10.9 Energy Conservation Requirements. Contractor agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.
- 10.10 Recycled Products. Contractor agrees to comply with all the requirements of Section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including but not limited to the regulatory provisions of 40 CFR Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 CFR Part 247.

#### **11.0 NAIC CODES:**


The following NAIC codes are set for this project; however, they are not all inclusive:

423860 Transportation Equipment and Supplies Merchant Wholesales  
423990 Other Miscellaneous Durable Goods

#### **12.0 ADDITIONAL REQUIRED FORMS:**

All vendors submitting are required to complete the attached and return with submission:

- 12.1 Vendor Form

Initials of Bidder: 

12.2 W9 Form

12.3 Tax Form/Debt/Residence Certification

12.4 DBE Attachment G and K

12.5 Attachment L must be completed if awarded the contract

12.6 Certification Forms

**13.0 PRICING:**

Price to provide and install bike rack, per each, as described herein:

\$ 657.95 /each

**CONTRACT SHEET**  
**BID 14-063**

**THE STATE OF TEXAS**  
**COUNTY OF FORT BEND**

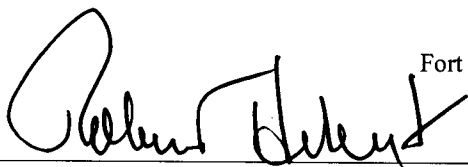
This memorandum of agreement made and entered into on the 26<sup>th</sup> day of August, 20 14, by and between Fort Bend County in the State of Texas (hereinafter designated County), acting herein by County Judge Robert Hebert, by virtue of an order of Fort Bend County Commissioners Court, and Spotworks Northwest, Inc.  
(company name)  
(hereinafter designated Contractor).


**WITNESSETH:**

The Contractor and the County agree that the bid and specifications for the **Bike Racks** which are hereto attached and made a part hereof, together with this instrument and the bond (when required) shall constitute the full agreement and contract between parties and for furnishing the items set out and described; the County agrees to pay the prices stipulated in the accepted bid.

It is further agreed that this contract shall not become binding or effective until signed by the parties hereto and a purchase order authorizing the items desired has been issued.

Executed at Richmond, Texas this 29<sup>th</sup> day of August, 20 14.

By:  Fort Bend County, Texas  
County Judge  
Robert E. Hebert

By:   
Signature of Contractor

By: Meredith Wendt, Manager, Sales  
Printed Name and Title

**Attachment G**

**Forms 1 & 2 for Demonstration of Good Faith Efforts**

*[Forms 1 and 2 will be provided as part of solicitation documents.]*

**FORM 1: DISADVANTAGED BUSINESS ENTERPRISE (DBE) UTILIZATION**

The undersigned bidder/offeror has satisfied the requirements of the bid specification in the following manner (please check the appropriate space):

\_\_\_\_\_ The bidder/offeror is committed to a minimum of \_\_\_\_\_ % DBE utilization on this contract.

☒ The bidder/offeror (if unable to meet the DBE goal of 0 %) is committed to a minimum of 9 % DBE utilization on this contract and submitted documentation demonstrating good faith efforts.

Name of bidder/offeror's firm: Sportsworld Northwest, Inc.

State Registration No. WA State DBE #601 237 601

By: [Signature]  
(Signature)

Manager, Sales  
Title

**FORM 2: LETTER OF INTENT**

Name of bidder/offeror's firm: Sportworks Northwest, Inc.

Address: 15540 Wood-Rid Rd NE A200

City: Woodinville State: WA Zip: 98072

Name of DBE firm: N/A

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Telephone: \_\_\_\_\_

Description of work to be performed by DBE firm:

-----  
-----  
-----  
-----

The bidder/offeror is committed to utilizing the above-named DBE firm for the work described above. The estimated dollar value of this work is \$ \_\_\_\_\_.

**Affirmation**

The above-named DBE firm affirms that it will perform the portion of the contract for the estimated dollar value as stated above.

By \_\_\_\_\_  
(Signature) (Title)

**If the bidder/offeror does not receive award of the prime contract, any and all representations in this Letter of Intent and Affirmation shall be null and void.**

(Submit this page for each DBE subcontractor.)

N/A memo 8/11/2014 NO DBE will be utilized for this contract. Sportworks manufactures all products in-house, nor is our installation vendor a DBE

Name of Prime Contractor (Offeror): Portways Northwest, Inc.  
Project Name: Provide Initial Bike Racks to BWS  
IFB/RFP/ISOQ Number: 14-0603

[illegible]

Signature of Authorized Representative of Offeror 8/1/2014  
Date Signed

1. TO: (name of Offeror/Prime Contractor) \_\_\_\_\_
2. The undersigned is either currently certified under the Texas Unified Certification Program (TUCP) as a DBE or will be at the time this solicitation is due.
3. The undersigned is prepared to perform the following described work with their own workforce and/or supply the material listed in connection with the above project (where applicable specify "supply" or "install" or both)

With respect to the proposed subcontract described above, the undersigned DBE anticipates that \_\_\_\_\_ % of the dollar value of this subcontract will be sublet and/or awarded to other contractors. Any and all subcontractors that a DBE subcontractor uses must be listed in Schedule C-1 and must also be DBE certified. (The DBE subcontractor should complete this section only if the DBE is subcontracting any portion of its subcontract.)

N/A means of 8/11/2014  
no DBS will be utilized under this contract. Spot checks manufacturing  
all product in-house.

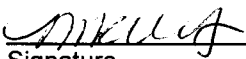
# **CERTIFICATION FORMS**

**Please fill out and sign the following forms and return with your Bid Proposal.**

## CERTIFICATION FORM

In submitting this proposal, the undersigned certifies on behalf of its firm and any proposed subcontractors as follows:

- (1) **Bid Validity Certification:** If this offer is accepted within one hundred twenty (120) calendar days from the due date, to furnish any or all services upon which prices are offered at the designated point within the time specified;
- (2) **Non-Collusion Certification:** Has made this proposal independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to this proposal with any other FIRM or with any other competitor,
- (3) **Affirmative Action/DBE:** Is in compliance with the Common Grant Rules affirmative action and and Department of Transportation's Disadvantaged Business Enterprise requirements.
- (4) **Non-Conflict Certification:** Represents and warrants that no employee, official, or member of the Regional Transportation Authority's Board of Directors is or will be pecuniarily benefited directly or indirectly in this Contract,
- (5) **Non-Inducement Certification:** The undersigned hereby certifies that neither it nor any of its employees, representatives, or agents have offered or given gratuities (in the form of entertainment, gifts, or otherwise) to any director, officer, or employee of the Regional Transportation Authority with the view toward securing favorable treatment in the awarding, amending, or the making of any determination with respect to the performance of this Contract.
- (6) **Debarment and Suspension:** The undersigned is neither debarred nor suspended from Federal programs under U. S. Department of Transportation regulations, "Nonprocurement Suspension and Debarment," 2 CFR Parts 180 and 1200, or under the FAR at 48 CFR Chapter 1, Part 9.4.
- (7) **Integrity and Ethics:** Has a satisfactory record of integrity and business ethics, in compliance with 49 U.S.C. Section 5325(j)(2)(A)
- (8) **Public Policy:** Is in compliance with the public policies of the Federal Government, as required by 49 U.S.C. Section 5325(j)(2)(B)
- (9) **Administrative and Technical Capacity:** Has the necessary organization, experience, accounting, and operational controls, and technical skills, or the ability to obtain them, in compliance with 49 U.S.C. Section 5325(j)(2)(D)
- (10) **Licensing and Taxes:** Is in compliance with applicable licensing and tax laws and regulations
- (11) **Financial Resources:** Has, or can obtain, sufficient financial resources to perform the contract, as required by 49 U. S. C. Section 5325 (j)(2)(D)
- (12) **Production Capability:** Has, or can obtain, the necessary production, construction, and technical equipment and facilities.
- (13) **Timeliness:** Is able to comply with the required delivery or performance schedule, taking into consideration all existing commercial and governmental business commitments.
- (14) **Performance Record:** Is able to provide a satisfactory current and past performance record.

  
Signature  
Spartan Northwest, Inc  
Firm Name

Meredith Wendl, Manager  
Printed Name/Title  
8/11/2014  
Date

### CERTIFICATION AND STATEMENT OF QUALIFICATIONS

The undersigned BIDDER hereby further certifies that she/he has read all of the documents and agrees to abide by the terms, certifications, and conditions thereof.

Signature: Meredith Wanda

Printed Name: Meredith Wanda

Title: Manager, Sales Date: 5/11/2014

Firm Name: Spartanwerks Northwest, Inc.

Business Address: 15540 Wood-Red Rd NE A-200, Woodinville WA 98072

Telephone: Office: 4254837000 Fax: 4254889000

Firm Owner: Mike Reeves Firm CEO: Mike Reeves

Taxpayer Identification Number: 6

Number of years in contracting business under present name: 22+

Type of work performed by your company: Manufacture Bike racks for Transit Buses

Have you ever failed to complete any work awarded to you? (Explain) NO

Have you ever defaulted on a Contract? NO

Taxpayer ID#: \_\_\_\_\_ Date Organized: 3/21/1990

Date Incorporated: 3/21/1990

Is your firm considered a disadvantaged business enterprise (DBE)? NO

If you answered yes to the DBE question, explain type. N/A

### ADDENDA ACKNOWLEDGMENT

Receipt of the following addenda is acknowledged (list addenda number):

DUNS # 161-4957249 (Required) A DUNS number may be obtained from D & B by telephone (currently at 866-705-5711) or the internet (currently at <http://fedgov.dnb.com/webform>)

**Fort Bend County Public Transportation  
DISCLOSURE OF INTERESTS CERTIFICATION**

FIRM NAME: Sportworks Northwest, Inc.  
STREET: 15510 Woodland-Rad Route 17-200 CITY: Woodville ZIP: 78072  
FIRM is: 1. Corporation ☒ 2. Partnership ☐ 3. Sole Owner ☐  
4. Association ☐ 5. Other ☐

**DISCLOSURE QUESTIONS**

If additional space is necessary, please use the reverse side of this page or attach separate sheets.

1. State the names of each "employee" of the Regional Transportation Authority having an "ownership interest" constituting 3% or more of the ownership in the above named "firm".

NAME	JOB TITLE AND DEPARTMENT (IF KNOWN)
<u>NA</u>	<u></u>
<u></u>	<u></u>

2. State the names of each "official" of the Regional Transportation Authority having an "ownership interest" constituting 3% or more of the ownership in the above named "firm".

NAME	TITLE
<u>NA</u>	<u></u>
<u></u>	<u></u>

3. State the names of each "board member" of the Regional Transportation Authority having an "ownership interest" constituting 3% or more of the ownership in the above named "firm".

NAME	BOARD, COMMISSION OR COMMITTEE
<u>NA</u>	<u></u>
<u></u>	<u></u>

4. State the names of each employee or officer of a "consultant" for the Regional Transportation Authority who worked on any matter related to the subject of this contract and has an "ownership interest" constituting 3% or more of the ownership in the above named "firm"

NAME

CONSULTANT

NA

**CERTIFICATE**

I certify that all information provided is true and correct as of the date of this statement, that I have not knowingly withheld disclosure of any information requested; and that supplemental statements will be promptly submitted to the Regional Transportation Authority, Texas as changes occur.

Certifying Person:

Meredith Wendt

Title:

Manager, Sales

(Type or Print)

Signature of Certifying Person:

Meredith Wendt

Date:

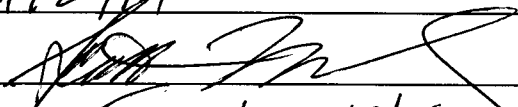
8/11/2014

### Buy America Certificate

**Certification required for procurement of steel, iron, or manufactured products (required for contracts over \$100,000).**

#### Certificate of Compliance with 49 C.F.R. 661

**The bidder or offeror hereby certifies that it will meet the requirements of Section 165(a) of the Surface Transportation Assistance Act of 1982 and the regulations of 49 C.F.R. 661.**

Date 8/12/14  
Signature   
Printed Name: Scott McKinley  
Title Vice President - Materials Control  
Company Name Sportworks Northwest, Inc.

or

#### Certificate of Non-Compliance with 49 C.F.R. 661

**The bidder or offeror hereby certifies that it cannot comply with the requirements of Section 165(a) of the Surface Transportation Assistance Act of 1982 and the regulations of 49 C.F.R. 661.7.**

Date \_\_\_\_\_  
Signature \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title \_\_\_\_\_  
Company Name \_\_\_\_\_

**CERTIFICATION  
OF  
RESTRICTIONS ON LOBBYING**  
(Required for contracts over \$100,000.)

I, \_\_\_\_\_, \_\_\_\_\_, hereby certify on behalf of  
(Name) (Title)  
the \_\_\_\_\_, that:  
(Company Name)

- (1) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, regarding the award of Federal assistance, or the extension, continuation, renewal, amendment, or modification of any Federal assistance agreement, contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any application for Federal assistance, federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL: "Disclosure of Form to Report Lobbying," including information required by the instructions accompanying the form, which form may be amended to omit such information as authorized by 49 CFR Part 20.110.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

The undersigned understands that this certification is a material representation of fact upon which reliance is placed and that submission of this certification is a prerequisite for providing Federal assistance for a transaction covered by 49 CFR Part 20.110. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Signed: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Company Name: \_\_\_\_\_

*N/A Manned A BID Pricing does not exceed  
\$100,000*



**COUNTY PURCHASING AGENT**  
Fort Bend County, Texas

Gilbert D. Jalomo, Jr., CPPB  
County Purchasing Agent

(281) 341-8640  
Fax (281) 341-8642 or 341-8645

**Vendor Information**

Federal ID # or S.S #			Dun and Bradstreet #	601-495-7249
Type of Business	<input checked="" type="checkbox"/> Corporation/LLC <input type="checkbox"/> Sole Proprietor/Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Tax Exempt Organization			
Legal Company Name	Sportworks Northwest, Inc		Year Business was Established 1990	
Remittance Address	15540 Wood-Red Rd NE A-200			
City/State/Zip	Woodinville WA 98072			
Physical Address	Same			
City/State/Zip	Same			
County	Fort Bend County		Other: King	
Phone/Fax Number	Phone: 4254837000		Fax: 4254889001	
Contact Person	Melinda Wendt			
E-mail	SalesandSupport@Sportworks.com			
Special Notes				
The Company listed above is a (check all that apply and attached certificate).	<input type="checkbox"/> DBE-Disadvantaged Business Enterprise <b>Certification #</b> _____ <input type="checkbox"/> SBE-Small Business Enterprise <b>Certification #</b> _____ <input type="checkbox"/> HUB-Texas Historically Underutilized Business <b>Certification #</b> _____ <input type="checkbox"/> WBE-Women's Business Enterprise <b>Certification #</b> _____ <input type="checkbox"/> MBE-Minority Business Enterprise <b>Certification #</b> _____			
Company's gross annual receipts:	<input type="checkbox"/> < \$500,000 <input type="checkbox"/> \$500,000-\$4,999,999 <input checked="" type="checkbox"/> \$5,000,000-\$16,999,999 <input type="checkbox"/> \$17,000,000-\$22,399,999 <input type="checkbox"/> >\$22,400,000			
NAICs codes (Please enter all that apply).	332999			

**PLEASE NOTE:** W-9 needs to be attached in order to be entered into our system

## Request for Taxpayer Identification Number and Certification

Give Form to the  
requester. Do not  
send to the IRS.

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return) <b>Sportworks Northwest, Inc.</b>	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input checked="" type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____	
	Exemptions (see instructions): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____	
	Address (number, street, and apt. or suite no.) <b>15540 Wood-Red Rd NE #A-200</b> City, state, and ZIP code <b>Woodinville, WA 98072</b>	
Requester's name and address (optional) <b>Fort Bend County Purchasing Department 301 Jackson, Suite 201 Richmond, TX 77469</b>		
List account number(s) here (optional)		

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

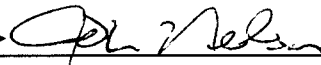
Social security number									
				-					
Employer identification number									

### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below), and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶ 	Date ▶ 8/8/14
-----------	--	---------------

### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** The IRS has created a page on [IRS.gov](http://IRS.gov) for information about Form W-9, at [www.irs.gov/w9](http://www.irs.gov/w9). Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

### Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the

withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

**Note.** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

Job No.: 14-063

**TAX FORM/DEBT/RESIDENCE CERTIFICATION**  
(for Advertised Projects)

Taxpayer Identification Number (T.I.N.): \_\_\_\_\_

Company Name submitting Bid/Proposal: Sportworks Northwest, Inc

Mailing Address: 15540 Wood-Red Rd NE 1A-200, Woodinville WA 98072

Are you registered to do business in the State of Texas? ☐ Yes ☒ No

If you are an individual, list the names and addresses of any partnership of which you are a general partner or any assumed name(s) under which you operate your business

\_\_\_\_\_

\_\_\_\_\_

I. **Property:** List all taxable property in Fort Bend County owned by you or above partnerships as well as any d/b/a names. Include real and personal property as well as mineral interest accounts. (Use a second sheet of paper if necessary.)

Fort Bend County Tax Acct. No.\*

Property address or location\*\*

None

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\* This is the property account identification number assigned by the Fort Bend County Appraisal District.

\*\* For real property, specify the property address or legal description. For business personal property, specify the address where the property is located. For example, office equipment will normally be at your office, but inventory may be stored at a warehouse or other location.

II. **Fort Bend County Debt** - Do you owe any debts to Fort Bend County (taxes on properties listed in I above, tickets, fines, tolls, court judgments, etc.)?

☐ Yes ☒ No

If yes, attach a separate page explaining the debt.

III. **Residence Certification** - Pursuant to Texas Government Code §2252.001 *et seq.*, as amended, Fort Bend County requests Residence Certification. §2252.001 *et seq.* of the Government Code provides some restrictions on the awarding of governmental contracts; pertinent provisions of §2252.001 are stated below:

(3) "Nonresident bidder" refers to a person who is not a resident.

(4) "Resident bidder" refers to a person whose principal place of business is in this state, including a contractor whose ultimate parent company or majority owner has its principal place of business in this state.

☐ I certify that \_\_\_\_\_ is a Resident Bidder of Texas as defined in Government Code §2252.001.  
[Company Name]

☒ I certify that Sportworks Northwest, Inc is a Nonresident Bidder as defined in Government Code §2252.001 and our principal place of business is Woodinville, WA.  
[Company Name] [City and State]

ACORD™

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

8/06/2014

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 <b>Propel Insurance</b> <b>Seattle Commercial Insurance</b> <b>925 4th Ave, Suite 3200</b> <b>Seattle, WA 98104</b>	CONTACT NAME: <b>Mary Grim</b>	
	PHONE (A/C, No, Ext): <b>206.676.4213</b>	FAX (A/C, No): <b>866.577.1326</b>
INSURED <b>Sportworks Northwest, Inc.</b> <b>15540 Woodinville Redmond Rd. Ste A-200</b> <b>Woodinville, WA 98072</b>	E-MAIL ADDRESS: <b>mig@propelinsurance.com</b>	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A: <b>Massachusetts Bay Insurance Co.</b>	NAIC #: <b>22306</b>
	INSURER B: <b>Hanover Insurance Company</b>	<b>22292</b>
	INSURER C:	
	INSURER D:	
	INSURER E:	
INSURER F:		

## COVERAGES

## CERTIFICATE NUMBER:

## 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 INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <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	X		ZD2903421603	01/01/2014	01/01/2015	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 - COMP/OP AGG \$2,000,000 \$
7	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			AWF903964903	01/01/2014	01/01/2015	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$			UH2897408403	01/01/2014	01/01/2015	EACH OCCURRENCE \$1,000,000 AGGREGATE \$1,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> Y <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	ZD2903421603	01/01/2014	01/01/2015	WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000

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

RE: Bid 14-063 Bike Racks - Fort Bend County and the members of Commissioners Court are Additional Insured per forms attached.

## CERTIFICATE HOLDER

## CANCELLATION

**Fort Bend County**  
**301 Jackson, Suite 201**  
**Richmond, TX 77469**

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

*Steve Markovitch*

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## WASHINGTON COMMERCIAL GENERAL LIABILITY SPECIAL BROADENING ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

#### SUMMARY OF COVERAGES

1. Additional Insured by Contract, Agreement or Permit	Included
2. Additional Insured - Broad Form Vendors	Included
3. Aggregate Limit per Location	Included
4. Alienated Premises	Included
5. Bodily Injury Redefined	Included
6. Broad Form Property Damage - Borrowed Equipment, Customers Goods & Use of Elevators	Included
7. Extended Property Damage	Included
8. Incidental Malpractice (Employed nurses, EMT's & paramedics)	Included
9. Knowledge of Occurrence	Included
10. Liberalization Clause	Included
11. Medical Payments - Increased Limit	\$10,000
12. Mobile Equipment Redefined	Included
13. Newly Acquired or Formed Organizations - Covered until end of policy period	Included
14. Non-owned Watercraft	51 ft.
15. Personal Injury - Broad Form	Included
16. Product Recall Expense	
- Each Occurrence Limit	\$25,000
- Aggregate Limit	\$50,000
17. Property Damage Legal Liability (Fire, Lighting, Explosion, Smoke or Leakage Damage)	\$500,000
18. Supplementary Payments Increased Limits	
- Bail Bonds	\$2,500
- Loss of Earnings	\$300
19. Unintentional Failure to Disclose Hazards	Included
20. Unintentional Failure to Notify	Included

This endorsement amends coverages provided under the Commercial General Liability Coverage Form through new coverages, higher limits and broader coverage grants.

#### 1. Additional Insured by Contract, Agreement or Permit

Under SECTION II – WHO IS AN INSURED, Paragraph 4. is added as follows:

4.a. Any person or organization with whom you agreed, because of a written contract, written agreement or permit to provide insurance, is an insured, but only with respect to:

(1) "Your work" for the additional insured(s) at the location designated in the contract,

agreement or permit; or

(2) Premises you own, rent, lease or occupy.

This insurance applies on a primary basis if that is required by the written contract, written agreement or permit.

b. This provision does not apply:

- (1) Unless the written contract or written agreement has been executed or permit has been issued prior to the "bodily injury", "property damage", "personal injury" or "advertising injury".
- (2) To any person or organization included as an insured by an endorsement issued by us and made part of this Coverage Part.
- (3) To any person or organization included as an insured under Item 2 of this endorsement.
- (4) To any lessor of equipment:
  - (a) After the equipment lease expires; or
  - (b) If the "bodily injury", "property damage", "personal injury" or "advertising injury" arises out of sole negligence of the lessor.
- (5) To any:
  - (a) Owners or other interests from whom land has been leased which takes place after the lease for the land expires; or
  - (b) Managers or lessors of premises if:
    - (i) The occurrence takes place after you cease to be a tenant in that premises; or
    - (ii) The "bodily injury", "property damage", "personal injury" or "advertising injury" arises out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor.

## 2. Additional Insured – Broad Form Vendors

Under SECTION II – WHO IS AN INSURED, Paragraph 5. is added as follows:

- 5.a. Any person or organization with whom you agreed, because of a written contract or written agreement to provide insurance, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:
- b. The insurance afforded the vendor does not apply to:
  - (1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reasons of the assumption of liability in a contract or agreement. This

exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement;

- (2) Any express warranty unauthorized by you;
  - (3) Any physical or chemical change in the product made intentionally by the vendor;
  - (4) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instruction from the manufacturer, and then repackaged in the original container;
  - (5) Any failure to make such inspection, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business in connection with the sale of the product;
  - (6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
  - (7) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any thing or substance by or for the vendor.
- c. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

## 3. Aggregate Limit Per Location

Under SECTION III – LIMITS OF INSURANCE the General Aggregate Limit applies separately to each of your "locations" owned by or rented to you.

### Definitions

Under Section V – DEFINITIONS, definition 23. is added as follows:

23. "Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

## 4. Alienated Premises

Under SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Paragraph 2. Exclusions, Exclusion J. (2) is replaced in its entirety with the following:

- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises and occurred from hazards that were known by you, or should have reasonably been known by you, at the time the property was transferred or abandoned.

**5. Bodily Injury Redefined**

Under **SECTION V – DEFINITIONS**, Definition 3. "bodily injury" is replaced in its entirety with the following:

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death resulting from "bodily injury", sickness or disease.

**6. Broad Form Property Damage – Borrowed Equipment, Customers Goods, Use of Elevators**

Under **SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Paragraph 2. Exclusions, Exclusion j. is amended as follows:

Paragraph (4) does not apply to "property damage" to borrowed equipment while at a jobsite and not being used to perform operations.

Paragraphs (3), (4) and (6) do not apply to "property damage" to "customers goods" while on your premises nor do they apply to the use of elevators at premises you own, rent, lease or occupy.

Under **SECTION V – DEFINITIONS**, Definition 24. Is added as follows:

24. "Customers goods" means property of your customer on your premises for the purpose of being:
- a. worked on; or
  - b. used in your manufacturing process.

The Insurance afforded under this provision is excess over any other valid and collectible property insurance (including deductible) available to the insured whether primary, excess, contingent or on any other basis.

**7. Extended Property Damage**

Under **SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Paragraph 2. Exclusions, Exclusion a. is replaced in its entirety by the following:

- a. "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.

**8. Incidental Malpractice – Employed Nurses, EMT's and Paramedics**

Under **SECTION II – WHO IS AN INSURED**, Paragraph 2.a.(1)(d) does not apply to a nurse, emergency medical technician or paramedic employed by you if you are not engaged in the business or occupation of providing medical, paramedical, surgical, dental, x-ray or nursing services.

**9. Knowledge of Occurrence**

Under **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Condition 2. Duties in the Event of Occurrence, Offense, Claim or Suit, Paragraph e. is added as follows:

- e. Notice of an "occurrence", offense, claim or "suit" will be considered knowledge of the insured if reported to an individual named insured, partner, executive officer or an "employee" designated by you to give us such a notice.

**10. Liberalization Clause**

Under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, Condition 10. is added as follows:

**10. Liberalization Clause**

If we adopt any revision that would broaden the coverage under this Coverage Form without additional premium, within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

**11. Medical Payments – Increased Limits**

Under **SECTION I – COVERAGE C MEDICAL PAYMENTS**, Paragraph a. (3)(b) is replaced in its entirety by the following:

- (3)(b) The expenses are incurred and reported to us within three years of the date of the accident; and

Under **SECTION III – LIMITS OF INSURANCE**, Paragraph 7. is replaced in its entirety by the following:

7. Subject to 5. above, the higher of:
- a. \$10,000; or
  - b. The amount shown in the Declarations for Medical Expense Limit is the most we will

pay under Coverage C for all medical expenses because of "bodily injury" sustained by one person.

This coverage does not apply if Coverage C – Medical Payments is excluded either by the provisions of the Coverage Part or by endorsement.

## 12. Mobile Equipment Redefined

Under SECTION V – DEFINITIONS, Definition 12, Mobile Equipment, paragraph f.(1)(a)(b)(c) does not apply to self-propelled vehicles of less than 1,000 pounds gross vehicle weight.

## 13. Newly Acquired Or Formed Organizations

Under SECTION II – WHO IS AN INSURED, Paragraph 3.a. is replaced in its entirety by the following:

- a. Coverage under this provision is afforded only until the end of the policy period.

## 14. Non-Owned Watercraft

Under SECTION I – COVERAGES COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Paragraph 2 Exclusions, Exclusion g.(2) is replaced in its entirety by the following:

- (2) A watercraft you do not own that is:
  - (a) Less than 51 feet long; and
  - (b) Not being used to carry persons or property for a charge;

This provision applies to any person, who with your consent, either uses or is responsible for the use of a watercraft.

## 15. Personal Injury – Broad Form

Under SECTION I – COVERAGE B, PERSONAL AND ADVERTISING INJURY LIABILITY Paragraph 2.e. is deleted in its entirety.

Under SECTION V – DEFINITIONS, Definition 14, Paragraph b. is replaced in its entirety by the following:

- b. Malicious prosecution or abuse of process.

Under SECTION V – DEFINITIONS, Definition 14, Paragraph h. is added as follows:

- h. Discrimination or humiliation (unless Insurance thereof is prohibited by law) that results in injury to the feelings or reputation of a natural person, but only if such discrimination or humiliation is:
  - (1) Not done intentionally by or at the direction of:
    - (a) The insured;
    - (b) Any officer of the corporation, director, stockholder, partner or member of the

insured; and

- (2) Not directly or indirectly related to an "employee", not to the employment, prospective employment or termination of any person or persons by an insured.

This coverage does not apply if COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY is excluded either by the provisions of the Coverage Part or by endorsement.

## 16. Product Recall Expense

Under SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Paragraph 2 Exclusions, Exclusion n. is replaced in its entirety by the following:

### n. Recall of Products, Work or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

If such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it, but this exclusion does not apply to "product recall expenses" that you incur for the "covered recall" of "your product". The exception to the exclusion does not apply to "Product recall expenses" resulting from:

- (4) Failure of any products to accomplish their intended purpose;
- (5) Breach of warranties of fitness, quality, durability or performance;
- (6) Loss of customer approval, or any cost incurred to regain customer approval;
- (7) Redistribution or replacement of "your product" which has been recalled by like products or substitutes;
- (8) Caprice or whim of the insured;
- (9) A condition likely to cause loss of which any insured knew or had reason to know at the inception of this insurance;

(10) Asbestos, including loss, damage or clean up resulting from asbestos or asbestos containing materials;

(11) Recall of "your products" that have no known or suspected defect solely because a known or suspected defect in another of "your products" has been found.

Under **SECTION II – WHO IS AN INSURED**, Paragraph 3.d. is added as follows:

d. Coverage A does not apply to "product recall expense" arising out of any withdrawal or recall that occurred before you acquired or formed the organization.

Under **SECTION III – LIMITS OF INSURANCE**, Paragraph 8. is added as follows:

8. The Limits of Insurance and rules stated below fix the most we will pay under this coverage part.

(1) The Aggregate Limit is the most we will reimburse you for the sum of all "product recall expenses" incurred for all "product recall expenses" initiated during the policy period.

(2) The Each Occurrence Limit shown in the Summary of Coverages Declaration is the most we will pay in connection with any one defect or deficiency.

(a) All "product recall expenses" in connection with substantially the same general harmful condition will be deemed to arise out of the same defect or deficiency and considered one occurrence.

(b) Any amount reimbursed for "product recall expenses" in connection with any one occurrence will reduce the amount of the Aggregate Limit available for reimbursement of "product recall expenses" in connection with any other defect or deficiency.

(c) If the Aggregate Limit has been reduced by reimbursement of "product recall expenses" to an amount that is less than the Each Occurrence Limit, the remaining Aggregate Limit is the most that will be available for reimbursement of "product recall expenses" in connection with any other defect or deficiency.

The Limits of Insurance of Product Recall Expense apply separately to each

consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for the purposes of determining the Limits of Insurance.

(3) A Deductible of \$500 applies for Each Occurrence.

Under **Section IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Condition 2. Duties In the Event of Occurrence, Offense, Claim or Suit, Paragraph f. is added as follows:

f. You must see to it that the following are done in the event of an actual or anticipated "covered recall" that may result in "product recall expense":

(1) Give us prompt notice of any discovery or notification that "your product" must be withdrawn or recalled. Include a description of "your product" and the reason for the withdrawal or recall;

(2) Cease any further release, shipment, consignment or any other method of distribution of like or similar products until it has been determined that all such products are free from defects that could be a cause of loss under this insurance.

Under **Section V – DEFINITIONS**, the following definitions are added:

25. "Covered recall," means a recall made necessary because you or a government body has determined that a known or suspected defect, deficiency, inadequacy, or dangerous condition in "your product" has resulted or will result in "bodily injury" or "property damage".

26. "Product recall expense" means:

a. Necessary and reasonable expenses for:

(1) Communications, including radio or television announcements or printed advertisements including stationery, envelopes and postage;

(2) Shipping the recalled products from any purchaser, distributor or user to the place or places designated by you;

- (3) Remuneration paid to your regular "employees" for necessary overtime;
- (4) Hiring additional persons, other than your regular "employees";
- (5) Expenses incurred by "employees" including transportation and accommodations;
- (6) Expenses to rent additional warehouse or storage space;
- (7) Disposal of "your product", but only to the extent that specific methods of destruction other than those employed for trash discarding or disposal are required to avoid "bodily injury" or "property damage" as a result of such disposal;

You incur exclusively for the purpose of recalling "your product"; and

- b. Your lost profit resulting from such "covered recall".

#### **17. Property Damage Legal Liability (Fire, Lightning, Explosion, Smoke or Leakage from Fire Protective Systems Damage)**

The word fire is changed to **fire, lightning, explosion, smoke and leakage from fire protective systems** where it appears in the Limits of Insurance section of the Declarations for the Commercial General Liability Coverage Part.

Under Section I – COVERAGES **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, the last paragraph (after the exclusions) is replaced in its entirety by the following:

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke or leakage from fire protective systems to premises while rented to you or temporarily occupied by you with the permission of the owner. A separate limit of insurance applies to this coverage as described in **LIMITS OF INSURANCE (SECTION III)**. This limit will apply to all damage proximately caused by the same event, whether such damage results from fire, lightning, explosion, smoke or leakage from fire protective systems or any combination of the five.

Under Section III – **LIMITS OF INSURANCE**, Paragraph 6. is replaced in its entirety by the following:

- 6. Subject to Paragraph 5. above, the higher of:
  - a. \$500,000; or

- b. The Fire, Lightning, Explosion, Smoke or Leakage from Fire Protective Systems Damage Limit shown in the Declarations is the most we will pay under Coverage A for damages because of "property damage" from fire, lightning, explosion, smoke and leakage from fire protective systems to premises, while rented to you or temporarily occupied by you with permission of the owner.

Under Section IV – **COMMERCIAL GENERAL LIABILITY CONDITIONS**, Condition 4. Other Insurance, Paragraph (b)(1)(a)(ii) is replaced by the following:

- (ii) That is fire, lightning, explosion, smoke or leakage from fire protective systems insurance for premises rented to you or temporarily occupied by you with permission of the owner; or

Under Section V – **DEFINITIONS**, Definition 9. "Insured contract", Paragraph a. is replaced in its entirety 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, smoke or leakage from fire protective systems to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract".

This coverage does not apply if Fire Damage Legal Liability of Coverage A is excluded either by the provisions of the Coverage Part or by endorsement.

#### **18. Supplementary Payments Increased Limits**

Under Section I – **SUPPLEMENTARY PAYMENTS, COVERAGES A AND B**, Paragraphs 1.b. and 1.d. are replaced in their entirety as follows:

- 1.b. Up to \$2,500 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.
- 1.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 actual loss of earnings up to \$300 a day because of time off from work.

**19. Unintentional Failure to Disclose Hazards**

Under Section IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Condition 6. Representations, Paragraph d. is added as follows:

- d. We will not disclaim coverage under this Coverage Part if you fail to disclose all hazards existing as of the inception date of the policy provided such failure is not intentional.

**20. Unintentional Failure to Notify**

Under Section IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Condition 2. Duties in the Event of Occurrence, Offense, Claim or Suit, Paragraph g. is added as follows:

- g. Your rights afforded under this policy shall not be prejudiced if you fail to give us notice of an "occurrence", offense, claim or "suit", solely due to your reasonable and documented belief that the "bodily injury" or "property damage" is not covered under this policy.

POLICY NUMBER: ZD2 9034216 03

COMMERCIAL GENERAL LIABILITY  
CG 24 04 05 09

## WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

### SCHEDULE

**Name Of Person Or Organization:**

ANY PERSON OR ORGANIZATION WITH WHOM YOU HAVE A WRITTEN CONTRACT OR AGREEMENT, EXECUTED PRIOR TO THE BODILY INJURY OR PROPERTY DAMAGE THAT REQUIRES YOU TO WAIVE YOUR RIGHTS OR RECOVERY

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

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 we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **BLANKET ADDITIONAL INSURED - PRIMARY AND NON-CONTRIBUTORY**

This endorsement modifies Insurance provided under the following:

### **BUSINESS AUTO COVERAGE PART**

**A. The following is added to SECTION II - LIABILITY COVERAGE, Paragraph A.1. Who Is An Insured:**

**Additional Insured if Required by Contract**

If you agree in a written contract, written agreement or written permit that a person or organization be added as an additional "insured" under this Coverage Part, such person or organization is an "insured"; but only to the extent that such person or organization qualifies as an "insured" under paragraph A.1.c. of this Section.

If you agree in a written contract, written agreement or written permit that a person or organization be added as an additional "insured" under this Coverage Part, the most we will pay on behalf of such additional "insured" is the lesser of:

- (1) The Limits of Insurance for liability coverage specified in the written contract, written agreement or written permit; or
- (2) The Limits of Insurance for Liability Coverage shown in the Declarations applicable to this Coverage Part.

Such amount shall be part of and not in addition to the Limits of Insurance shown in the Declarations applicable to this Coverage Part. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

**B. The following is added to SECTION IV - BUSINESS AUTO CONDITIONS, Paragraph B. General Conditions, subparagraph 5. Other Insurance:**

**Primary and Non-Contributory**

If you agree in a written contract, written agreement or written permit that the insurance provided to a person or organization who qualifies as an additional "insured" under SECTION II - LIABILITY COVERAGE, Paragraph A.1. Who Is An Insured, subparagraph Additional Insured if Required by Contract is primary and non-contributory, the following applies:

The liability coverage provided by this Coverage Part is primary to any other insurance available to the additional "insured" as a Named Insured. We will not seek contribution from any other insurance available to the additional "insured" except:

- (1) For the sole negligence of the additional "insured"; or
  - (2) For negligence arising out of the ownership, maintenance or use of any "auto" not owned by the additional "insured" or by you, unless that "auto" is a "trailer" connected to an "auto" owned by the additional "insured" or by you; or
  - (3) When the additional "insured" is also an additional "insured" under another liability policy.
- C. This endorsement will apply only if the "accident" occurs:**
1. During the policy period;
  2. Subsequent to the execution of the written contract or written agreement or the issuance of the written permit; and
  3. Prior to the expiration of the period of time that the written contract, written agreement or written permit requires such insurance to be provided to the additional "insured".
- D. Coverage provided to an additional "insured" will not be broader than coverage provided to any other "insured" under this Coverage Part.**

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **BUSINESS AUTO COVERAGE BROADENING ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

#### **1. CANCELLATION EXTENSION**

Paragraph **A. CANCELLATION 2. b.** of the **COMMON POLICY CONDITIONS** is replaced with the following:

- b. 60 days before the effective date of cancellation if we cancel for any other reason.

- d. Any business entity for which you have a financial interest greater than 50% of the voting stock or otherwise have a controlling interest after the effective date of this policy or that is newly acquired or formed by you during the term of this policy.

#### **SECTION I - COVERED AUTOS**

##### **2. EMPLOYEE HIRED "AUTOS"**

**Description Of Covered Auto Designation Symbols; Symbol 8** is replaced by the following:

8 = Hired "Autos" Only - Only those "autos" you lease, hire, rent or borrow; including "autos" your employee hires at your direction, for the purpose of conducting your business. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees" or partners or members of their households.

The coverage provided by this provision is afforded until expiration or termination of this policy, whichever occurs earlier.

The coverage provided by this provision does not apply to any business entity described in d. above that qualifies as an insured under any other automobile liability policy issued to that business entity as a named insured or would have been an insured except for the exhaustion of the policy limits or the insolvency of the insurer.

#### **SECTION II - LIABILITY COVERAGE**

##### **3. BROADENED NAMED INSURED**

The following is added to the **SECTION II - LIABILITY COVERAGE, Paragraph 1. Who Is An Insured** provision:

The coverage provided by this provision does not apply to "bodily injury" nor "property damage" arising from an accident that occurred prior to your acquiring or forming the business entity described in d. above.

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#### **4. EMPLOYEES AS INSURED**

The following is added to the **SECTION II - LIABILITY COVERAGE**, Paragraph 1. **Who Is An Insured** provision:

- e. Any employee of yours is an "insured" while using a covered "auto" you do not own, hire or borrow in your business or your personal affairs.

#### **5. SUPPLEMENTARY PAYMENTS**

The following amends **SECTION II - LIABILITY COVERAGE**, Paragraph 2. **Coverage Extensions** provision:

Paragraph (2) is replaced by the following:

- (2) Up to \$2500 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

Paragraph (4) is replaced by the following:

- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

#### **6. AMENDED FELLOW EMPLOYEE EXCLUSION**

The following is added to the **SECTION II - LIABILITY COVERAGE**, B. **Exclusions** Paragraph 5. **Fellow Employee** exclusion:

This exclusion does not apply if the "bodily injury" arises from the use of a covered "auto" you own or hire. This coverage is excess over any other collectible insurance

#### **SECTION III - PHYSICAL DAMAGE COVERAGE.**

#### **7. EXPENSE OF RETURNING A STOLEN "AUTO" and SIGN COVERAGE**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, A.1. COVERAGE**:

##### **d. Expense Of Returning A Stolen "Auto"**

We will pay for the expense of returning a covered "auto" to you.

##### **e. Sign Coverage**

We will pay for loss to signs, murals, paintings or graphics, as part of equipment, which are displayed on a covered "auto".

The most we will pay for "loss" in any one "accident" is the lesser of:

- 1. The actual cash value of the property as of the time of the "loss"; or
- 2. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
- 3. \$2,000.

#### **8. GLASS BREAKAGE DEDUCTIBLE**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE** paragraph 3. **Glass Breakage - Hitting a Bird or Animal - Falling Objects or Missiles**:

Any deductible shown in the Declarations as applicable to the

covered "auto" will not apply to glass breakage if such glass is repaired, rather than replaced.

#### **9. TRANSPORTATION EXPENSE**

Paragraph 4. **Coverage Extension** of **SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE** is replaced with the following:

##### **4. Coverage Extension**

We will pay up to \$50 per day to a maximum of \$1500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 24 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

#### **10. HIRED AUTO PHYSICAL DAMAGE**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE**:

##### **5. Hired Auto Physical Damage**

If hired "autos" are covered "autos" for Liability Coverage and if Physical Damage Coverage of Comprehensive, Specified Causes of Loss, or Collision is provided under this Coverage Form for any "auto" you own, then the Physical Damage Coverage(s) provided is extended to "autos" you hire without a driver or your employee hires, without a driver, at your

direction, for the purpose of conducting your business, for a period of 30 days or less, of like kind and use as the "autos" you own, subject to the following:

The most we will pay for any one loss is the lesser of the following:

- a. \$50,000 per accident, or
- b. cash value, or
- c. the cost of repair,

minus the deductible equal to the lowest deductible applicable to any owned "auto" for that coverage. Any deductible shown in the Declarations does not apply to "loss" caused by fire or lightning. Subject to the limit and deductible stated above, we will provide coverage equal to the broadest coverage provided to any covered "auto" you own, that is applicable to the loss.

If the loss arises from an accident for which you are legally liable and the lessor incurs an actual financial loss from that accident, we will cover the lessor's actual financial loss of use of the hired "auto" for a period of up to seven consecutive days from the date of the accident, subject to a limit of \$1,000 per accident.

#### **11. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE**:

##### **6. Audio, Visual and Data Electronic Equipment Coverage**

We will pay for "loss" to any electronic equipment that receives

or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound. This coverage applies only if the equipment is permanently installed in the covered "auto" at the time of the "loss" or the equipment is removable from a housing unit which is permanently installed in the covered auto at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto s" electrical system, in or upon the covered "auto", including its antennas and other accessories. However, this does not include tapes, records or discs.

The exclusions that apply to PHYSICAL DAMAGE COVERAGE, except for the exclusion relating to Audio, Visual and Data Electronic Equipment, also apply to coverage provided herein. In addition, the following exclusions apply:

We will not pay, under this coverage, for either any electronic equipment or accessories used with such electronic equipment that is:

1. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto s" operating system; or
2. Both:
  - a. An integral part of the same unit housing any sound reproducing equipment designed solely for the reproduction of sound if the sound reproducing

equipment is permanently installed in the covered "auto", and

- b. Permanently installed in the opening of the dash or console normally used by the manufacturer for the installation of a radio.

With respect to coverage herein, the **LIMIT OF INSURANCE** provision of **PHYSICAL DAMAGE COVERAGE** is replaced by the following:

1. The most we will pay for all "loss" to audio, visual or data electronic equipment and any accessories used with this equipment as a result of any one "accident" is the lesser of
  - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
  - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
  - c. \$500.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of the "loss".
3. Deductibles applicable to PHYSICAL DAMAGE COVERAGE, do not apply to this Audio, Visual and Data Electronic Equipment Coverage.

If there is other coverage provided by this policy for audio, visual and data electronic equipment, the coverage provided herein is

excess. However, you may elect to apply the limit or any portion thereof of coverage provided herein to pay any deductible that is applicable under the provisions of the other coverage.

**12. RENTAL REIMBURSEMENT and MATERIAL TRANSFER EXPENSE**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE:**

**7. Rental Reimbursement and Material Transfer Expense**

This coverage provides only those Physical Damage Coverages where a premium is shown in the Declarations. It applies only to a covered "auto" described or designated to which the Physical Damage Coverages apply.

We will pay for auto rental expenses and the expenses, incurred by you because of "loss" to a covered "auto", to remove and transfer your materials and equipment from the covered "auto". Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto". No deductibles apply to this coverage.

We will pay only for those auto rental expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:

1. The number of days reasonably required to repair or replace the

covered "auto". If loss is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and transport it to a repair shop.

2. 60 days.

Our payment is limited to the lesser of the following amounts:

1. Necessary and actual expenses incurred, including loss of use.
2. \$3000.

This auto rental expense coverage does not apply while there are spare or reserve "autos" available to you for your operations.

If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under the **SECTION III - PHYSICAL DAMAGE COVERAGE, A. 4. Coverage Extension.**

**13. AIRBAG COVERAGE**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, B. Exclusions, paragraph 3.**

The portion of this exclusion relating to mechanical or electrical breakdown does not apply to the accidental discharge of an airbag. This coverage is excess of other collectible insurance or warranty. No deductible applies to this Airbag Coverage.

#### **14. AUTO LOAN PHYSICAL DAMAGE EXTENSION**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limit Of Insurance** provision:

When a "loss" results in a total loss to a covered auto you own for which a Loss Payee is designated in this policy, the most we will pay for "loss" in any one "accident" is the greater of:

1. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
2. The outstanding balance of the initial loan, less any amounts for taxes, overdue payments, overdue payment charges, penalties, interest, any charges for early termination of the loan, costs for Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan, and carry-over balances from previous loans.

#### **15. AUTO LEASE PHYSICAL DAMAGE EXTENSION**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limit Of Insurance** provision:

If, because of damage, destruction or theft of a covered "auto", which is a long-term leased "auto", the lease agreement between you and the lessor is terminated, "we" will pay the difference between the amount paid under paragraph **C. LIMIT OF INSURANCE 1.** or **2.** and the amount due at the time of "loss" under the terms of the lease agreement applicable to the leased "auto" which you are required to pay: less any fees to dispose of the auto; any overdue payments; financial penalties

imposed under a lease for excessive use, abnormal wear and tear or high mileage; security deposits not refunded by the lessor; cost for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan; and carry over balances from previous leases.

This coverage applies only to the initial lease for the covered "auto" which has not previously been leased. This coverage is excess over all other collectible insurance.

#### **SECTION IV - CONDITIONS**

#### **16. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS**

The following is added to **SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions, 2. Duties In The Event Of Accident, Claim, Suit Or Loss:**

- d. Knowledge of any "accident", claim, "suit" or "loss" will be deemed knowledge by you when notice of such "accident", claim, "suit" or "loss" has been received by:

- (1) You, if you are an individual;
- (2) Any partner or insurance manager if you are a partnership; or
- (3) An executive officer or insurance manager if you are a corporation.

#### **17. BLANKET WAIVER OF SUBROGATION**

Paragraph 5. Transfer Of Rights Of Recovery Against Others To Us, **SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions** is replaced by the following:

**5. Transfer Of Rights Of Recovery  
Against Others To Us**

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, which have not been waived through the execution of an "insured contract", written agreement, or permit, prior to the "accident" or "loss" giving rise to the payment, those rights to recover damages from another are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after the "accident" or "loss" to impair them.

**18. UNINTENTIONAL FAILURE TO  
DISCLOSE INFORMATION**

The following is added to **SECTION IV BUSINESS AUTO CONDITIONS. B. General Conditions**, paragraph 2. **Concealment, Misrepresentation Or Fraud:**

Your unintentional error in disclosing, or failure to disclose, any material fact existing after the effective date of this Coverage Form shall not prejudice your rights under this Coverage Form. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or nonrenewal.

**19. HIRED AUTO - WORLDWIDE  
COVERAGE**

The following is added to **SECTION IV - Business Auto Conditions, B. General Conditions**, paragraph 7. **Policy Period, Coverage Territory** provision:

- e. Outside the coverage territory described in a., b., c., and d. above for an "accident" or "loss" resulting from the use of a covered "auto" you hire, without a driver, or your employee hires without a driver, at your direction, for the purpose of conducting your business, for a period of 30 days or less, provided the suit is brought within The United States of America or its territories or possessions.

**SECTION V - DEFINITIONS**

**20. MENTAL ANGUISH**

Paragraph C. "Bodily injury", **SECTION V - DEFINITIONS** is replaced by the following:

- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death or mental anguish resulting from any of these.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## WASHINGTON - NOTICE OF CANCELLATION TO DESIGNATED CERTIFICATE HOLDER(S)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
BUSINESS AUTO COVERAGE FORM  
BUSINESSOWNERS COVERAGE FORM

### SCHEDULE

Name of Designated Entity	Mailing Address or Email Address	Number Days Notice

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

If we cancel this policy for any reason other than non-payment of premium, we will give written notice of such cancellation to the Designated Certificate Holder(s) shown in the Schedule. Such notice may be delivered or sent by any means of our choosing. The notice to the Designated Certificate Holder(s) will state the effective date of cancellation.

Unless otherwise noted in the Schedule above, such notice will be provided to the Designated Certificate Holder(s) no

more than the number of days in advance of the effective date of cancellation that we are required to provide to the Named Insured for such cancellation.

Such notice of cancellation is solely for the purpose of informing the Designated Certificate Holder(s) of the effective date of cancellation and does not grant, alter, or extend any rights or obligations under this policy.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.