

EXHIBIT K-2
Parking Concession RFP
Capital Projects and Construction Activities

I. MINIMUM REQUIRED INSURANCE: MINIMUM LIMITS OF INSURANCE

INSURANCE TYPE	LIMITS	BASIS
Workers' Compensation	Statutory	
Employers' Liability	\$500,000	Each Accident
	\$500,000	Disease Policy Limit
	\$500,000	Disease Each Employee
Commercial General Liability		
	\$50,000,000	Each Occurrence Limit
	\$50,000,000	General Aggregate Limit
	\$50,000,000	Products-Completed Operations Limit
Builder's Risk	See Builder's Risk Insurance narrative below	
Business Auto Liability		
	\$2,000,000	Combined Single Limit

Railroad Protective Liability Insurance (RRP)		
	\$5,000,000	Each Occurrence Limit

	\$10,000,000	Aggregate Limit
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Professional Liability		
	\$3,000,000	Each Claim
Pollution Liability		
	\$3,000,000	Each Claim

II. MINIMUM REQUIRED INSURANCE: MINIMUM INSURANCE COVERAGES AND COVERAGE PROVISIONS

- 1) Concessionaire is required to maintain the prescribed insurance outlined in this Exhibit A during the entire period of performance under this contract. Notice to Proceed (NTP) will not be issued until all required insurance has been approved by WMATA.
- 2) The prescribed insurance coverage and limits of insurance are minimum required coverages and limits. Concessionaire is encouraged, at its sole cost and expense, to purchase any additional insurance coverages and or limits of insurance that Concessionaire deems prudent and necessary to manage risk in the completion of this contract.
- 3) Upon written request from WMATA, Concessionaire shall provide copies of any requested insurance policies, including applicable endorsements, within five (5) business days of such request.
- 4) Receipt, review or communications regarding certificates of insurance (COI), insurance policies, endorsements, or other materials utilized to document compliance with these Minimum Insurance Requirements does not constitute acceptance by WMATA.
- 5) Insurance companies must be acceptable to WMATA and must have an A. M. Best rating of at least A- VII.
- 6) Unless otherwise noted, "Claims Made" insurance policies are not acceptable.
- 7) Any insurance policy utilizing a Self-Insured Retention (SIR) requires written approval from WMATA.
- 8) Concessionaire must incorporate these Minimum Insurance Requirements into contract requirements of all subcontractors of every tier; however, Concessionaire, at its sole peril, may amend these Minimum Insurance Requirements for its subcontractors, but doing so does not relieve Concessionaire from its respective liability to WMATA.
- 9) Compliance with these Minimum Insurance Requirements does not relieve Concessionaire from Concessionaire's respective liability to WMATA, even if that liability exceeds the Minimum Insurance Requirements.

III. COVERAGE-SPECIFIC REQUIREMENTS

Commercial General Liability

- 1) Commercial General Liability (CGL) shall be written on ISO Occurrence Form CG0001 (12/04) or its equivalent. Equivalency determination shall be made in WMATA's sole and unreviewable discretion.
- 2) Required minimum limits of coverage may be achieved through a combination of the aforementioned CGL coverage form and an Umbrella/Excess Liability coverage form(s), provided that the Umbrella/Excess Liability coverage form(s) provides the same or broader coverage than the prescribed CGL coverage form.
- 3) Policy shall be endorsed with Additional Insured Endorsement(s) in compliance with the "Additional Insured" Section below.
- 4) Policy shall be endorsed with a Waiver of Subrogation Endorsement(s) in compliance with the "Waiver of Subrogation" section below.
- 5) The definition of "Insured Contract" shall be modified to provide coverage for contractual liability for any contracts involving construction or demolition operations that are within 50 feet of a railroad, and sidetrack agreements.
- 6) Defense Costs (Allocated Loss Adjustment Expense) must be included and outside of the policy limits for all primary liability and Umbrella/Excess Liability policies.

Builder's Risk Insurance

Concessionaire shall carry builder's risk insurance on the Improvements for any new WMATA parking garage or other structure which construction shall be agreed to by the parties. The insurance shall cover materials, equipment and supplies (including, without limitation, scaffolding, fencing and office trailers) on or about the WMATA property. The materials, tools, equipment, and supplies owned by Concessionaire for the Improvements and WMATA Facilities and stored off-site shall be covered by an installation floater or equivalent. The policy shall provide coverage on an "all-risks" basis. The following endorsements shall also be required: Loss of Use; Expediting expenses to speed up repairs; valuable papers to cover construction plans, specifications and other documents; pollution cleanup; preservation of property to relocate property; site preparation; landscaping; fire protection equipment; paved surfaces; soft costs (including any liquidated damages payable for failure to meet a delivery schedule as the result of an insured event); equipment breakdown; testing costs for any equipment and features related to the WMATA Facilities; and extra restoration expense by reason of subsequent changes of law (Ordinance or Law). Foundations and underground utility lines shall be covered by this policy. This insurance must have limits equal to the replacement cost of the Improvements and any WMATA Facilities to be constructed by Concessionaire on a "completed value" (non-reporting full coverage) basis in an amount sufficient to prevent coinsurance. Any deductibles or sublimits shall be subject to

WMATA's prior review and approval. Builder's risk insurance must be in place from the start of construction and cover the WMATA Facilities through Final Completion and the other Improvements now or hereafter located on the WMATA Joint Development Site through substantial completion thereof. Concessionaire shall keep all "protective safeguards" in place during the policy period. WMATA shall be a loss payee and a named insured on this policy.

Business Auto Liability

- 1) Business Auto Liability insurance shall be written on ISO Business Auto Coverage Form CA 00 01 03 06, or its equivalent. Equivalency determination shall be made in WMATA's sole and unreviewable discretion.
- 2) Policy shall be endorsed with Additional Insured Endorsement(s) in compliance with the "Additional Insured" Section below.
- 3) Policy shall be endorsed with a Waiver of Subrogation Endorsement(s) in compliance with the "Waiver of Subrogation" section below.
- 4) Business Auto Liability minimum Combined Single Limit requirements may be obtained through the combination of a primary business auto liability policy and an Umbrella/Excess Liability policy provided that the Umbrella/Excess Liability policy complies with items 2 and 3 above.
- 5) MCS-90 Endorsement for work involving the transportation or disposal of any hazardous material or waste off of the jobsite. If the MCS-90 Endorsement is required, minimum auto liability limits of \$5,000,000 per occurrence are also required.
- 6) Non-Owned Disposal Site (NODS) Endorsement providing coverage for the Concessionaire's legal liability arising out of pollution conditions at the designated non-owned disposal site.

Railroad Protective Liability

Railroad Protective Liability Insurance is required for any work within 50 feet of WMATA railroad tracks or work within WMATA rail stations.

- 1) The Railroad Protective Liability (RRP) policy must be on a policy form and with an insurance company that is acceptable to WMATA.
- 2) WMATA shall be the Named Insured.
- 3) The original RRP policy shall be sent to WMATA at following address:

Washington Metropolitan Area Transit Authority
Office of Insurance, Room 8F
600 Fifth Street, NW
Washington, DC 20001

WMATA Blanket RRP Program Option

WMATA may offer to waive the requirement for the Concessionaire to procure RRP if 1) the work qualifies for coverage under WMATA's blanket RRP program, and 2) the Concessionaire prepays the RRP waiver fee which shall be determined by the rate schedule promulgated by the insurer in effect as of the effective date of this Contract. Concessionaire shall be advised of, and pay the applicable waiver fee.

Professional Liability Insurance

Concessionaire, any subcontractor of any tier, or any supplier providing design services or the services of a professional engineer, including, but not limited to stamping, sealing, or certifying blueprints or other related documents, are required to maintain Professional Liability Insurance as follows:

- 1) Actual coverage or tail coverage must be purchased and maintained at least up to the statute of repose.
- 2) Coverage can be written on an "occurrence" or "claims-made" basis.
- 3) Coverage can be written on "non-admitted" paper.

Pollution Liability Insurance

Concessionaire, any subcontractor of any tier, or any supplier performing demolition of any pre-existing structures, or moving, removal, or handling of any hazardous materials, are required to maintain Pollution Liability insurance as follows:

- 1) Coverage can be written on an "occurrence" or "claims-made" basis.
- 2) Coverage can be written on "non-admitted" paper.
- 3) Policy shall be endorsed with Additional Insured Endorsement(s) in compliance with the "Additional Insured" section below.

IV. OTHER

Additional Insured

- 1) Concessionaire and subcontractors of every tier are required to add WMATA and WMATA Board of Directors as additional insured on all required insurance including excess liability policies, with the exception of Workers' Compensation and Professional Liability.
- 2) Coverage provided to Additional Insured shall be primary and non-contributory to any other insurance available to the Additional Insured, including coverage afforded to the WMATA as an additional insured by subcontractors, and from other third parties.
- 3) Coverage provided to any Additional Insured shall be for claims arising out of both ongoing operations and products and completed operations hazard.
- 4) Coverage available to any Additional Insured under the products and completed operations hazard can only be limited to the applicable statute of repose in the jurisdiction(s) where the contract scope of work takes place.

- 5) Commercial General Liability and Umbrella/Excess Liability forms must provide defense coverage for additional insureds. The Additional Insured Endorsement shall provide coverage for Ongoing as well as Products and Completed Operations with no limitation on when claims can be made.

Waiver of Subrogation

Concessionaire and subcontractors of every tier are required to have all insurance policies except Professional Liability endorsed to waive the respective insurance company's rights of recovery against WMATA, and the WMATA Board of Directors.

- 1) Waiver shall be provided on an endorsement that is acceptable to WMATA.

Certificate of Insurance (COI)

Concessionaire shall provide WMATA an ACORD Certificate of Insurance (COI) and copies of all required endorsements as evidence that the insurance requirements of this Section have been satisfied. Certificates of Insurance shall be sent to WMATA.

The Certificate Holder box should read:

Washington Metropolitan Area Transit Authority
Office of Insurance, Room 8F
600 Fifth Street, NW
Washington, DC 20001

Additionally:

- 1) Proposed material modifications to required insurance, including notice of cancellation, must be received by WMATA in writing at least 30 days prior to the effective date of such change or cancellation.
- 2) WMATA's receipt of copies of any COI, policy endorsements or policies does not relieve Concessionaire of the obligation to remain in compliance with the requirements of this Section at all times. Concessionaire's failure to comply with these insurance requirements shall constitute a material breach of this Contract.
- 3) Receipt of the COI does not constitute acceptance of the insurance outlined above.