

Subcontractor's Insurance. Before commencing the Work, and as a condition of any payment due under this Subcontract, Subcontractor shall, at its own expense, procure and maintain insurance on all of its operations under this Subcontract whether the operations are by the Subcontractor or by anyone for whose acts Subcontractor may be liable. Insurance companies must be authorized to do business in the State of California and be A.M. Best's rated A-VII or better. Such coverage shall be acceptable to Contractor, which acceptance shall not be unreasonably withheld, and shall include coverage as follows:

(a) **Workers' Compensation and Employer's Liability Insurance.** Workers' Compensation insurance shall be provided as required by any applicable law or regulation. Employer's Liability insurance shall be provided in amounts not less than:

- \$1,000,000 each accident for bodily injury by accident
- \$1,000,000 policy limit for bodily injury by disease
- \$1,000,000 each employee for bodily injury by disease

If there is an exposure of injury to Subcontractor's employees under the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or under laws, regulations or statutes applicable to maritime employees, coverage shall be included for such injuries or claims as set forth in the Special Provisions section.

(a) **Commercial General Liability Insurance.** Subcontractor shall carry primary Commercial General Liability insurance, Insurance Services Office (ISO) form CG 0001 1001, covering all operations by or on behalf of Subcontractor providing insurance for bodily injury, personal injury, and property damage for the limits of liability indicated below including but not limited to coverage for:

- (1) Premises and Operations
- (2) Products and Completed Operations
- (3) Contractual Liability including Subcontractor's bodily injury and property damage indemnity obligations assumed in the Indemnification section.
- (4) Explosion, Collapse and Underground Hazards (Including Subsidence and Any Other Earth Movement)
- (5) Personal Injury Liability
- (6) Liability of Independent Contractors
- (7) Construction means, methods, techniques, sequences and procedures including safety and field supervision

Items 1-7 above shall not be subject to any of the following limiting or exclusionary endorsements:

- subsidence or earth movement
- prior acts or prior work
- action over - precluding indemnity for passive acts of Contractor contributing to injury of a Subcontractor's employee
- contractual limitation - eliminating cover for assumed liability
- supervisory or inspection service limitation
- insured vs. insured cross suits
- clauses terminating coverage after a designated period of time
- residential or habitational limitation if the Work includes residential or habitational work
- classification limitation limiting coverage for work to be performed
- defense inside limits provision
- sub-subcontractor insurance coverage exclusions for failure to satisfy coverage conditions

The limits of liability shall be not less than the amounts required of Subcontractor under the Contract Documents, but in no event less than:

- \$1,000,000 Each Occurrence (Combined Single Limit for Bodily Injury and Property Damage)
- \$1,000,000 for Personal Injury Liability

- \$2,000,000 Aggregate for Products-Completed Operations
- \$2,000,000 General Aggregate

The general aggregate limit shall apply separately to the Work or each Project.

(b) **Automobile Liability Insurance.** Subcontractor shall carry Automobile Liability insurance, including coverage for all owned, leased, hired, non-owned and any automobiles. The limits of liability shall be not less than \$1,000,000 combined single limit each accident for bodily injury and property damage. Contractor, its officers, directors and employees, Owner, Architect and any other interested parties required by the Contractor shall be included as additional/designed insureds on the auto policy per ISO form CA 2048 or an equivalent form.

(a) **Excess Liability Insurance.** A minimum of \$1,000,000 Excess Liability Insurance policy shall be maintained over the General Liability and Automobile Liability coverage. Such Excess coverage shall, at a minimum, include the items set forth in Paragraph (b) 1-7 above, and the insurance for such items shall not be subject to any of the limiting or exclusionary policy provisions or endorsements specified in Paragraph (b). Higher limits of liability may be required, and any such requirement is set forth in the Special Provisions section.

If the Work is to be performed within fifty (50) feet of any railroad, Subcontractor's Commercial General Liability policy shall be endorsed to delete the exclusion for work performed within fifty (50) feet of a railroad. A copy of such endorsement shall be provided to Contractor prior to commencement of work.

Duration of Insurance. Subcontractor shall maintain all insurance required in this Section at all times during the performance of the Work, and for such longer periods as set forth in the Contract Documents. In addition, Subcontractor shall maintain primary and excess products liability and completed operations coverage for at least ten (10) years following completion of the Project and its acceptance by Owner. Certificates of Insurance requirements set forth in this Section apply on an annual basis.

Additional Insured Requirement. Contractor, Owner, Architect, and any other entity which Contractor is required to name as an additional insured under the Prime Contract shall be named as additional insureds under the Subcontractor's Commercial General Liability policy required by this Section, and such insurance afforded the additional insureds shall apply as primary insurance. Any other insurance maintained by Owner or Contractor shall be excess insurance and shall not be called upon to contribute to Subcontractor's primary or excess insurance carrier's duty to defend or indemnify unless required by law. The excess insurance required above shall also afford additional insured protection to Owner, and Contractor and any other entity which Contractor is required to name as an additional insured under the Prime Contract. Such additional insurance coverage shall be provided by Subcontractor at no additional cost or expense to Contractor.

The primary additional insured insurance coverage required by this Section shall be provided by Insurance Services Office (ISO) Additional Insured endorsements CG 2010 0413 and CG 2037 0413 for the Owner and Contractor and CG 2032 0413 for the Architect/Engineer, or similar, or similar form(s) with the express written permission of Contractor with coverage not less broad. The duty to provide such additional insured coverage is independent of the defense and indemnity obligations set forth in Indemnification section. This Section shall, in no event, be construed to require that additional insured insurance coverage be provided to a greater extent than permitted under the statutes or public policy of the State of California.

Sub-subcontractor Insurance. Subcontractor shall ensure that its sub-subcontractors of every tier also carry insurance with the limits of liability specified above. Contractor may require written proof that the requisite insurance is being carried. Such written proof shall be furnished to Contractor within ten (10) calendar days after such request has been made. Any such insurance coverage required of sub-

subcontractors shall name Contractor, Owner, and Architect as additional insureds, in the same manner as required by this Section, at no additional cost or expense to Contractor.

Supplementary Liability Provisions.

- (a) Subcontractor shall not provide General Liability insurance under any Claims Made or Modified Occurrence General Liability form without the express written consent of Contractor.
- (b) Any self-insurance program providing coverage in excess of \$25,000 per occurrence requires the express written consent of Contractor.
- (c) The Contractor may allow deductible provisions and/or self-insured retentions of more than \$25,000 per occurrence if Subcontractor is willing to post security, guaranteeing payment of losses and defense expenses for a period of one (1) year after the Project is completed.
- (d) Standard ISO form CG 0001 11001 exclusions will be allowed. Allowance of any additional exclusions or coverage-limiting endorsements is at the discretion of the Contractor. (e) If the Work is of a substantial maritime nature, special maritime coverages such as U.S. Longshore and Harbor Workers' Compensation Act, Jones Act and Protection and Indemnity coverage shall be required as set forth in the Special Provisions section.
- (e) If consolidated wrap-up type liability and excess coverage is adopted for the Project, then such wrap-up program liability requirements, including builder's risk programs, are set forth in the Special Provisions section.
- (f) If the Work includes design/build work or services, Subcontractor shall obtain Professional Liability coverage as set forth in the Special Provisions section.
- (g) Increased Limits of Liability, if any, are set forth in the Special Provisions section.
- (h) If the Work involves the moving, lifting, lowering, rigging or hoisting of property and/or equipment, Subcontractor shall obtain Rigger's Liability coverage to insure against loss or damage to such property or equipment.
- (i) If Subcontractor or its subcontractors or suppliers use any owned, leased, borrowed, chartered or hired aircraft of any type in the performance of the Work, then Aircraft Liability coverage shall be maintained, as set forth in the Special Provisions section.
- (j) If the Work involves the remediation of, or creates an exposure to, any hazardous materials, Subcontractor shall maintain Contractor's Pollution Liability coverage, as set forth in the Special Provisions section.

Certificates of Insurance. As evidence of the insurance required by this Subcontract, Certificates of Insurance, including the required additional insured and other endorsements, shall be furnished to Contractor prior to the performance of any Work. Endorsements are to be furnished with each Certificate of Insurance. All Certificates of Insurance shall reference each endorsement number, the Project name and address, and the Agreement number. Such information is to be provided in the ACORD description of operations section of the certificate. Delivery of such certificates and endorsements shall be a condition of any payment due under this Subcontract. Certificates shall set forth deductible amounts in excess of \$5,000 applicable to each policy. Contractor has the right to require agent-certified copies of any of the required policies. If such request is made, such policies shall be furnished to Contractor within ten (10) calendar days. Receipt by Contractor of any certificate of insurance or additional insured endorsement which does not comply with the requirements of this Section shall not act as a waiver to enforcement of such requirements at a later date.

Responsibility for Deductible. Regardless of the consent to exclusions, coverage limitations or deductibles by Contractor, Subcontractor shall be responsible for any deductible amount or any loss arising out of coverage denials by its insurance carrier(s).

Maintenance/Cancellation of Insurance. Contractor may take whatever actions are necessary to assure Subcontractor's compliance with its obligations under this Section. Should any insurance policy lapse or be canceled during the performance of the Work, or thereafter, Subcontractor shall, prior to the effective expiration or cancellation date, furnish the Contractor with evidence of renewal or replacement of the policy. Failure to continuously satisfy the insurance requirements herein is a material breach of this Subcontract. In the event Subcontractor fails to maintain any of the insurance

coverage required, Contractor may, but is not required to, maintain such coverage and charge the expense to Subcontractor or terminate this agreement. There will be no cancellation or reduction of coverage of any required insurance without an unqualified, thirty (30) day, prior written notice to Contractor. Such notice may be sent by Subcontractor's insurance carrier, insurance broker, or Subcontractor.

Subcontractor's Duties. Any acceptance of insurance certificates by Contractor shall in no way limit or relieve Subcontractor of its duties and responsibilities under this Subcontract including the duty to defend, indemnify and hold harmless Contractor, Owner and others persons as set forth in Indemnification section. Insurance coverage in the minimum amounts set forth herein shall not be construed to relieve Subcontractor from liability in excess of such coverage nor shall it preclude Contractor from taking such other actions as are available to it under any other provision of this Subcontract or by law.

Waiver of Subrogation. Subcontractor waives all rights against Contractor, Owner, Architect, all other subcontractors, and their agents, officers, directors and employees, for recovery of damages to the extent such damages are covered by the Commercial General Liability, Automobile Liability, Excess Umbrella, and Workers' Compensation insurance required of Subcontractor. Contractor and Subcontractor waive all rights against each other and against all other subcontractors and Owner for loss or damage to property to the extent covered by any other insurance applicable to the Work, except such rights as they may have to the proceeds of such insurance. If any applicable policies of insurance referred to in this Section require an endorsement or consent of the insurance company to provide for continued coverage where there is a waiver of subrogation, the owners of such policies will cause them to be so endorsed or obtain such consent. Copies of General Liability, Automobile Liability, Excess Umbrella, and Worker's Compensation endorsements shall be provided to Contractor along with the certificates of insurance required by this Section.

Owner's Property Insurance. Property insurance is to be provided on the completed Project by Owner, through a policy or policies other than those insuring the Project during the construction period.

Builder's Risk Insurance.

Builder's Risk insurance is provided for the Project. Such insurance shall apply to any of Owner's or Contractor's property in the care, custody or control of Subcontractor. Subcontractor shall be responsible for the first \$5,000 of insurance policy deductible amount applicable to damage to the Work and/or damage to other work caused by Subcontractor.

Builder's Risk insurance is not provided for the Project. The extent of Builders Risk or other property insurance available to Subcontractor (if any) during the course of construction is specified in the Special Provisions section.

Supplementary Insurance. If not provided by Builder's Risk coverage, Subcontractor shall maintain in full force and effect property insurance for all equipment, and property obtained by or for Subcontractor which is to become a part of the Work during installation and while such equipment and property is stored at the jobsite, at temporary locations, or while in transit to the Project from such temporary locations. Subcontractor shall also be responsible for insuring Subcontractor's owned, rented or borrowed equipment. Once the Work is accepted by Contractor, Owner or Contractor shall provide Project insurance and appropriate waivers of subrogation shall apply.