

Job #: _____
Subcontract #: _____

EXHIBIT "B"

[Insurance Requirements]

This **Exhibit B** is incorporated into the Subcontract between Contractor and Subcontractor as an Exhibit (and is identified as part of the Contract Documents). Capitalized terms not otherwise defined in this **Exhibit B** shall have the meanings assigned to them in the Subcontract. Subcontractor's minimum limits of insurance shall be increased to the extent, and in the amount of, any deficiency in its sub-subcontractor's minimum limits of insurance. In the event of any conflict, inconsistency, or ambiguity between the provisions of this **Exhibit B**, the Subcontract or the Contract Documents, the more stringent, greater, and/or broader insurance requirements, limits, and coverages shall govern.

IMMEDIATELY SEND A COPY OF THIS EXHIBIT B TO YOUR INSURANCE AGENT/BROKER FOR COMPLIANCE

1. Specified Coverage and Minimum Limits. Subcontractor shall maintain in effect at all times throughout the duration of the Subcontract and for such extended term as required, and require each of its sub-subcontractors to maintain, the coverage and minimum limits of insurance in this **Exhibit B**. The coverage and limits set forth below are the minimum acceptable to Contractor. In specifying minimum insurance requirements, Contractor does not represent that coverage and minimum limits are adequate to protect Subcontractor from loss, damage, or liability arising from the Work and/or Project, and such coverage and limits shall not be deemed as a limitation on Subcontractor's liability under the indemnities granted in the Subcontract.

2. Workers' Compensation and Employer's Liability. Subcontractor shall maintain Workers' Compensation coverage with statutory limits as required by applicable law and Employer's Liability with limits of not less than the following:

Bodily Injury by Accident – Each Accident:	\$1,000,000
Bodily Injury by Disease – Each Employee:	\$1,000,000
Bodily Injury by Disease – Policy Limits:	\$1,000,000

2.1. Employees Not Subject to Statute. Subcontractor shall voluntarily provide Workers' Compensation coverage for proprietors, partners, or others not statutorily required to maintain Workers' Compensation insurance. This requirement may only be waived by Contractor's written consent.

2.2. Self-Insured Programs and Leased Employees. Programs underwritten by any self-insured group require Contractor's written consent. Use of leased employees, through an employment management company, professional employer organization, or other such company ("Leasing Company"), by Subcontractor is expressly prohibited without Contractor's written consent. If permitted by Contractor, Subcontractor shall (a) provide Contractor with a complete copy of its contract with the Leasing Company; (b) require that Leasing Company provide Workers' Compensation, Employer's Liability, and CGL with coverage limits in amounts no less than Subcontractor's insurance requirements for the same coverages; (c) require that Leasing Company provide an Alternate Employer/Leased Employer endorsement naming Subcontractor as alternate employer on Leasing Company's Workers' Compensation policy; (d) require that Leasing Company add Contractor, Owner, and their agents, officers, directors, and employees as Additional Insureds on its CGL insurance subject to the same terms as Subcontractor's insurance requirements; (e) require that Leasing Company provide a waiver of subrogation in favor of Contractor and Owner on Leasing Company's Workers' Compensation, Employer's Liability, and CGL insurance policies, and (f) provide Contractor with a copy of the Leasing Company's certificate of insurance, with endorsements, evidencing the required coverage.

2.3. Maritime Coverage. If the Work or its location constitutes an exposure to Subcontractor's employees under the U.S. Longshore and Harbor Workers Compensation Act, the Jones Act, or under laws, regulations, or statutes applicable to maritime employees, Subcontractor shall procure and maintain applicable coverage.

2.4. Waiver of Subrogation. Subcontractor waives all rights, including the right of subrogation, against Contractor, Owner and their agents, officers, directors, and employees for recovery of damages to the extent these

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damages are covered by Workers' Compensation and/or Employer's Liability obtained by Subcontractor. Subcontractor shall obtain an endorsement equivalent to WC 00 03 13 to affect this waiver.

3. Commercial General Liability Insurance. Subcontractor shall maintain Commercial General Liability (CGL) insurance with limits of not less than the following:

Each Occurrence:	\$1,000,000
Personal and Advertising Injury Limit:	\$1,000,000
General Aggregate:	\$2,000,000
Products / Completed Operations Aggregate:	\$2,000,000

3.1. Occurrence Form. Coverage shall be provided on an "occurrence" basis and shall be written on a form providing coverage at least as broad as ISO form CG 00 01 (04 13) and shall cover liability arising from premises, operations, products-completed operations, independent contractors, X, C, and U hazards, and contractual liability (including the tort liability of another assumed in Subcontract). If Subcontractor's CGL policy does not contain the standard ISO separation of insureds condition, or a substantially similar clause, the policy shall be endorsed to provide cross-liability coverage.

3.2. Endorsement or Modification. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability assumed under a contract, for liability arising from pollution, explosion, collapse, underground property damage, employment-related practices, damage to the insured's work, and/or work performed on behalf of the insured by a subcontractor of any tier.

3.3. Completed Operations Period. Subcontractor shall maintain CGL insurance applicable to liability arising out of the Subcontractor's completed operations for a period of two (2) years following Substantial Completion *or* one (1) year following Final Completion of the Project *or* for the period equal to the statute of limitation in the State where the Work was performed, whichever is longer (the "Completed Operations Period").

3.4. Additional Insured Coverage. Subcontractor, and any lower-tier subcontractors, shall endorse its CGL policy (and Umbrella/Excess liability insurance policy, if any) to add all parties required to be named as Additional Insureds in the Contract Documents, including (without limitation) Contractor, Owner, and their agents, officers, directors, and employees (referred to individually as "Additional Insured" and collectively as "Additional Insureds"). Additional Insured status shall be provided using ISO form CG 20 10 (1 85) *or* form CG 20 10 (10 01) (ongoing operations) *in conjunction with* form CG 20 37 (10 01) (completed operations) *or* equivalent manuscript wording, and shall apply on a primary and non-contributing basis before any other insurance or self-insurance, including any deductible, maintained by, or provided to, the aforementioned Additional Insureds, and shall remain in effect for the duration of the Completed Operations Period.

3.5. Waiver of Subrogation. Subcontractor waives, and shall require (by endorsement or otherwise) all its insurers to waive, all rights, including the right of subrogation, against Contractor, Owner, and their agents, officers, directors, and employees for recovery of damages to the extent these damages are covered by CGL insurance maintained by Subcontractor and/or its sub-subcontractors.

4. Commercial Auto Liability Insurance. Contractor shall maintain Commercial Auto liability with limits of not less than the following:

Each Accident (combined single limit)	\$1,000,000
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4.1. Commercial Auto Form. Commercial Auto coverage shall be written on ISO form CA 00 01 *or* a substitute form at least as broad. If necessary, the policy shall be endorsed to provide contractual liability coverage equivalent to that provided in the 1990 and later editions of CA 00 01. Such insurance shall cover liability arising out of any auto (including all owned, non-owned, and hired automobiles, trucks, and trailers).

4.2. Hazardous Materials. If the Contract Documents calls for the removal and/or hauling of any hazardous waste from the Project site, or if the Work involves such similar environmental exposure, Subcontractor shall provide

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pollution liability coverage equivalent to that provided under ISO form Pollution Liability-Broadened Coverage for Covered Autos endorsement CA 99 48. If Subcontractor is subject to the Motor Carrier Act of 1980, Subcontractor shall further provide the Motor Carrier Act endorsement on ISO form MCS 90 with the primary limits identified above.

4.3. Waiver of Subrogation. Subcontractor waives, and shall require (by endorsement or otherwise) all its insurers to waive, all rights, including the right of subrogation, against Contractor, Owner, and their agents, officers, directors, and employees for recovery of damages to the extent these damages are covered by the Commercial Auto liability insurance maintained by Subcontractor.

5. Professional Liability. If Subcontractor's Work includes any architectural, engineering, design services, or other services for which professional liability insurance coverage is available, Subcontractor shall maintain professional liability coverage, insuring Subcontractor for negligent acts, errors, or omissions arising out of the performance of Subcontractor's Work, with limits of not less than the following:

Per Claim	\$1,000,000
Annual Aggregate	\$1,000,000

5.1. Coverage Period. If coverage is written on a claims-made basis, the Subcontractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of the Subcontract, and that continuous coverage will be maintained, or extended so as to provide the same coverage, for the Completed Operations Period.

5.2. Claim Reporting. In the event any claim is asserted against Subcontractor's professional liability policy which may result in less than the minimum limits being available for Contractor's protection, Subcontractor shall promptly notify Contractor and provide Contractor with any information regarding such claim which is reasonably requested by Contractor.

6. Umbrella or Excess Liability. If Subcontractor maintains Umbrella/Excess Liability insurance to cover the minimum insurance limits of the underlying Employer's Liability, CGL, and Commercial Auto insurance set forth above, Umbrella/Excess Liability insurance shall provide coverage on a following form basis to the underlying insurance and shall include a board as primary endorsement. Umbrella/Excess Liability insurance shall contain wording to the effect that, in the event of the exhaustion of any underlying insurance due to the payment of claims, the Umbrella/Excess Liability policy shall "drop down" to apply as primary insurance to all required Additional Insureds and/or with respect to any other insurance or self-insurance programs afforded to, or maintained by, any Additional Insured

7. General Provisions.

7.1. Acceptance by Contractor. The required insurance shall be subject to the approval of Contractor. Such insurance shall be maintained under forms of policies and from companies satisfactory to Contractor and Owner. The required insurance shall be placed with insurers with a financial rating of at least A-VIII as defined by A.M. Best Company and must be authorized to transact business in the state where the Work is being performed.

7.2. Evidence of Insurance. Subcontractor shall furnish certificates of insurance evidencing compliance with all insurance requirements, and attach all required policy endorsements providing Additional Insured coverage and permitting waiver of subrogation (1) before commencing any Work on the Project, (2) at the time of final application for payment, (3) upon renewal or replacement of such insurance until the expiration of the time period for which such insurance must be maintained, and (4) within ten (10) days of a request by Contractor. If requested by Contractor, Subcontractor shall provide copies of policies, including all endorsements, within ten (10) days of Contractor's request. If the above is not readily available, Subcontractor shall provide the policies declaration page with the schedule of forms.

7.3. Notice of Cancellation. All certificates of insurance shall provide for thirty (30) days written notice to Contractor, or as otherwise required by the Contract Documents, prior to the cancellation or material change of any

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insurance referred to therein. Notwithstanding the above, Subcontractor shall immediately notify Contractor in writing after receiving a notice of cancellation of any insurance policy applicable to this Subcontract. Failure of the Subcontractor to provide timely notice of pending cancellation shall be considered a material breach of this Subcontract. Subcontractor shall, prior to the effective expiration or cancellation date, furnish Contractor with evidence of renewal or replacement of the policy. Payment may be withheld or Work suspended until withdrawal of cancellation or reinstatement of the canceled policy. No extension of time shall be allowed to Subcontractor in the event of any such suspension.

7.4. Failure to Maintain Insurance. Contractor shall have the right, but not the obligation, of prohibiting Subcontractor or any sub-subcontractor from entering the Project site until such certificates of insurance or other evidence that insurance has been placed in complete compliance with these requirements is received and approved by Contractor. Failure to maintain the required insurance may result in termination of this Subcontract at Contractor's option. If Subcontractor fails to provide or maintain insurance as required in this **Exhibit B** or elsewhere in the Contract Documents, Contractor shall have the right to provide and maintain such insurance and give evidence thereof to Subcontractor. The cost of such policies, administration of policies, overhead and profit shall be deducted from the cost of the Work.

7.5. No Waiver of Enforceability. Any acceptance of certificates of insurance by Contractor shall in no way limit Subcontractor's duties and responsibilities under this Subcontract, including the duty to indemnify Contractor and Owner. Failure of Contractor to demand such certificates or failure of Contractor to identify a deficiency in such certificates or otherwise demand other evidence of full compliance with the insurance requirements shall not be construed as a waiver of Subcontractor's obligation to maintain such insurance, nor act as a waiver to enforcement of any of these provisions at a later date. Failure to provide acceptable or timely evidence that all required insurance is in place shall be considered a material breach of this Subcontract, and payment may be withheld or Work suspended, at the option of Contractor, until acceptable evidence of compliance has been provided.