

**SCHEDULE B-2
INSURANCE AND BONDS**

A. INSURANCE

(1) Subcontractor shall obtain, through insurance companies acceptable to Contractor, maintain in force and pay for the types of insurance with policy limits equal to or greater than those stated below:

| <u>Required</u> | | <u>Type of Insurance</u> | <u>Limit Amount Equal to or Greater Than</u> |
|--------------------------|--------------------------|--------------------------|--|
| <u>Yes</u> | <u>No</u> | | |
| <input type="checkbox"/> | <input type="checkbox"/> | Workers' Compensation | Statutory Limits |
| <input type="checkbox"/> | <input type="checkbox"/> | USL & H Coverage | Statutory Limits |

Note: USL&H is required if the project is adjoining a navigable waterway. Workers' Compensation and USL&H coverage shall include Voluntary Compensation and Alternate Employer Endorsements in favor of the Indemnitees.

| | | | |
|--------------------------|--------------------------|-------------------------------|-------------------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | Employer's Liability | \$1,000,000/\$1,000,000/\$1,000,000 |
| <input type="checkbox"/> | <input type="checkbox"/> | Maritime Employer's Liability | \$1,000,000/\$1,000,000/\$1,000,000 |

Note: Maritime Employer's Liability is required if the subcontractor is using a floating vessel in a navigable waterway.
 Note: Employer's Liability and Maritime Employer's Liability policies shall include a Voluntary Compensation Endorsement, coverage amended to provide that a claim "In Rem" shall be treated as a claim against the employer, with the phrase "as owner of the vessel named herein" and all similar phrases purporting to limit the underwriter's liability to that of a vessel owner being deleted, and with all phrases purporting to limit the underwriter's liability to the value of the vessel being deleted.

| | | | |
|--------------------------|--------------------------|---|---|
| <input type="checkbox"/> | <input type="checkbox"/> | Commercial General Liability (including Contractual Liability) | \$1,000,000 per occurrence and \$2,000,000 aggregate per project, including Products or Completed Operations \$2,000,000 aggregate; Note: Completed Operations shall be carried for a period lasting up to the applicable statute of repose |
|--------------------------|--------------------------|---|---|

Note: Commercial General Liability Policies shall contain deletions of any and all "watercraft exclusions," and shall contain an *In Rem* endorsement.

| | | | |
|--------------------------|--------------------------|-------------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | Business Automobile Liability | \$1,000,000 combined single limit; Note: Business Automobile Liability shall include hired and other non-owned automobiles |
| <input type="checkbox"/> | <input type="checkbox"/> | Professional Liability | \$1,000,000 per claim and \$1,000,000 aggregate |
| <input type="checkbox"/> | <input type="checkbox"/> | Umbrella/Excess | \$3,000,000 per occurrence and |

| | | | |
|--------------------------|--------------------------|-------------------------|---|
| | | | \$3,000,000 aggregate per project |
| <input type="checkbox"/> | <input type="checkbox"/> | Pollution | \$1,000,000 per occurrence and \$1,000,000 aggregate per project |
| <input type="checkbox"/> | <input type="checkbox"/> | Pollution (high-hazard) | \$3,000,000 per occurrence and \$3,000,000 aggregate per project |

Note: Specialty subcontractors include curtain wall, HVAC, steel, elevator or demolition subcontractors.

| | | | |
|--------------------------|--------------------------|--|---|
| <input type="checkbox"/> | <input type="checkbox"/> | Builder's Risk | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | Installation Floater (Cost of Materials) | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | Protection and Indemnity Insurance | \$1,000,000 per occurrence |
| <input type="checkbox"/> | <input type="checkbox"/> | Hull & Machinery Insurance | declared value of all vessels used in connection with the Work |
| <input type="checkbox"/> | <input type="checkbox"/> | Rigger's Liability | \$1,000,000 per occurrence |

Note: Protection and Indemnity and Hull & Machinery Insurance are required if the subcontractor is using a floating vessel in a navigable waterway. Protection and Indemnity Insurance shall include coverage for injuries to or death of masters, mates and members of the crew, transportation, wages, maintenance and cure, towers liability to the extent not covered by Hull & Machinery insurance or other insurance required by this Agreement, and coverage for diving operations (if diving operations are to be performed in connection with the Work) with geographic extensions of coverage to the Gulf of Mexico and other areas in which the vessel may operate, with the phrase "as owner of the vessel named herein" being deleted; providing *In Rem* protection; if the vessel is a tug or is engaged in towing, deleting the exclusion of claims arising out of or having relation to towage of any other vessel or craft.

Other _____

(2) Certification. Where the above schedule indicates that such kinds of insurance shall be carried by Subcontractor, Subcontractor shall file with Contractor certificates of insurance prior to starting Work on the job demonstrating compliance with the insurance requirements of this Article.

(3) Additional Insured Coverage. The Indemnitees shall be named as additional insureds in all policies, except Worker's Compensation and Professional Liability using ISO Additional Insured Endorsements providing both operations and completed operations coverage as provided below. Such coverage will be the broadest allowable by applicable law, but no broader. Where broader coverage is permitted for additional insureds, additional insured coverage shall include coverage for the negligent acts of the additional insured. The additional insured coverage will be required at a minimum for the limits specified in this Agreement, however if the policy limits are greater than those specified in this agreement, this Agreement requires additional insured coverage for the full policy limits.

(4) Additional Insured Endorsements. Additional insured status shall be provided to the Indemnitees on the CGL policy, the pollution policy (CPL policy), and the umbrella/excess liability policies, and all other policies except Worker's Compensation and Professional Liability on a primary and non-contributory basis. Additional insured endorsements shall be made using

ISO forms CG 2010 1185 or CG 2010 1093 in combination with CG 2037 1001. Additional insured coverage shall include both ongoing and completed operations. Other endorsements providing equivalent coverage may be deemed acceptable at Contractor's sole discretion. Copies of the CGL additional insured endorsement must be attached to Subcontractor's certificate of insurance.

(5) Waiver of Subrogation. To the extent that any loss arising out of bodily injury (including, without limitation, a workers' compensation lien), death, or damage to property (of any kind, including without limitation, direct, indirect, consequential, loss of use, fair rental or market value, business interruption, or damage to any adjacent property), that occurs after the date hereof is covered by insurance (regardless of the purchaser of the insurance), subrogation is waived by Subcontractor, in favor of Contractor and Owner, Contractor's parent, subsidiary, and affiliated companies, and each of their owners, members, shareholders, officers, directors, employees, agents, and insurers, and separate contractors, their subcontractors, and each of their owners, members, shareholders, officers, directors, employees, agents, and insurers. All policies of insurance shall be endorsed to waive subrogation rights as stated herein.

(6) Content of Certificates. All certificates of insurance shall show the amounts and limits of liability (as provided above) of policies in force, dates of expirations of policies (which may also be provided on an endorsement or other official document), and shall also contain an agreement by the insurance carrier indicating that no policy will be canceled prior to the expiration date shown without giving Contractor thirty (30) days prior written notice.

(7) Cancellation. In the event notice of cancellation is given, Subcontractor agrees immediately to replace the policy so canceled. The failure of Contractor to require Subcontractor to obtain or maintain in force such insurance shall never be construed to give any person, firm, or corporation a right of action against Contractor. Subcontractor shall have the right, but not be obliged to secure additional kinds of insurance or any policies containing limits in excess of the amounts specified as deemed necessary for its protection.

(8) A.M. Best Ratings. All insurance policies to be procured by the Subcontractor shall be issued by a company rated "A" for Financial Strength and "VII" for Financial Size or better by A.M. Best.

(9) Subcontractor Insurance Primary. All insurance policies to be procured by Subcontractor shall be primary to any other policies available to Contractor or Owner.

(10) Other Insurance. Contractor reserves the right to require additional insurance in the type and amount as may be reasonably necessary to provide for other activities and/or unusual or unforeseen risks pertaining to this Agreement.

(11) Renewal of Insurance. All types of insurance and limit amounts shall be renewed and maintained without gap or break in coverage by Subcontractor in full force and effect for the entire duration of the Work and shall extend through the duration of the warranty period as required by the Contract Documents; provided however, that Commercial General Liability (Including Contractual Liability) Completed Operations coverage shall be carried for a period lasting up to

the applicable Statute of Repose. Evidence of such shall be provided by filing comprehensive certificates of insurance with the Contractor thirty (30) days prior to the date (s) of renewal(s).

(12) **Pollution.** Pollution coverage policies shall include completed operations/remediation work, and coverage for sudden and accidental and gradual releases. Pollution coverage policies shall not delete coverage of asbestos, lead, silica, mold, or underground storage tanks. Pollution coverage policies shall include transportation and disposal of hazardous waste if Subcontractor's Work requires off-site transportation.

(13) **Leased Employees.** Contractor must be notified by Subcontractor in writing of any leased employee. In addition Subcontractor must present evidence of the alternate employer endorsement or its equivalent prior to a leased employee entering the work site. If Workers' Compensation insurance is provided by the leasing company, the leasing company's Workers' Compensation insurance policy shall include the alternate employer's endorsement naming the Subcontractor as an alternate employer. If Workers' Compensation coverage is provided by the Subcontractor, the Workers' Compensation insurance policy shall include the Employee Leasing Client Exclusion endorsement, excluding the leased employee from coverage.

(14) **Compliance.** No payments shall be made to Subcontractor hereunder until all insurance requirements are met.

(15) **Subcontractor does hereby PROTECT, INDEMNIFY, AND HOLD HARMLESS Contractor from any loss Contractor may suffer due to Subcontractor's failure to comply with any of the insurance requirements of this Agreement, including the obtaining of waivers of subrogation, obtaining insurance against defense, indemnity, and hold harmless obligations, or due to any insurance coverage being invalidated due to Subcontractor's failure to comply with the terms, conditions, and warranties of the insurance.**

D. **BONDS** – If indicated in the space below, Subcontractor, upon signing, shall obtain and furnish to Contractor, a Performance Bond and Payment Bond, each for the full amount of this Agreement as set forth in Article 10. The two bonds shall be in favor of Contractor and shall be issued by a surety company acceptable to Contractor. No payment whatsoever shall be due Subcontractor until the provisions of this Article have been met. The Performance and Payment Bonds shall be on the forms attached hereto as Schedule D and Schedule E, respectively, or on other forms as approved by Contractor. The surety executing these bonds must be authorized to conduct surety business in the state in which the Project is located.

Subcontractor Performance Bond and Payment Bond Required Yes No