

1 INSURANCE

1.1 Insurance Requirements

1.1.1 Contractor agrees to procure and to maintain in full force and effect, at Contractor's sole expense, insurance of the following types and amounts, written by insurance companies satisfactory to Company, authorized to do business in the state where the work is being performed, and having an A.M. Best's Rating of not less than "A- VII":

1.2 Workers' Compensation and Employers' Liability

1.2.1 Contractor shall carry statutory Workers' Compensation Insurance covering Contractor's employees in compliance with all requirements of the Workers' Compensation laws of all states in which Contractor performs work hereunder.

1.2.2 In addition, Contractor shall carry Employer's Liability Insurance covering all operations and work hereunder in an amount not less than the following:

Each Accident	\$1,000,000
Each Disease Each Employee	\$1,000,000
Disease Policy Limit	1.2.3 \$1,000,000

1.2.4 In addition, Contractor shall carry insurance in compliance with the U.S. Longshoreman's and Harbor Worker's Act, Outer Continental Shelf Act and covering Jones Act liability, if Contractor's performance hereunder involves marine exposures.

1.3 General Liability Insurance

1.3.1 Contractor shall carry general liability insurance on a form no less broad than the coverage provided by a "Commercial General Liability Insurance" form (dated 1985 or thereafter) promulgated by the Insurance Services Office, and containing language affording coverage for contractual liability, the products and completed operations hazards, broad form property damage liability, and the explosion, collapse and underground hazards, as respects all operations and work hereunder, for all liability arising out of injury to or death of one or more persons, and injury to or destruction of property, in any one occurrence, in amounts not less than:

General Aggregate	\$2,000,000
Products – Comp/Ops Aggregate	\$1,000,000
Personal & Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000

1.3.1.1 Products Liability Insurance – If the preceding box is checked, Contractor shall carry Products Liability insurance to cover Bodily Injury and Property Damage in amounts not less than \$1,000,000.

1.3.1.2 Cyber Liability Insurance – If the preceding box is checked, Contractor shall provide \$10,000,000 in Cyber Liability Insurance to cover Security, Privacy, Business Interruption, Cyber Extortion, and Denial of Service.

1.4 **Automobile Liability Insurance**

1.4.1 Contractor shall carry Automobile Liability Insurance on a form no less broad than the coverage provided by a Business Automobile Liability Insurance form (dated 1985 or thereafter) promulgated by the Insurance Services Office, on all owned or hired autos, as well as non-owned autos, in an amount not less than \$1,000,000 combined single limit, for all liability arising out of injury to or death of one or more persons, and injury to or destruction of property, in any one occurrence.

1.5 **Excess Liability Insurance**

1.5.1 If the preceding box is checked, Supplier shall carry Excess Liability Insurance that follows the form of the underlying primary liability insurance required by Employers Liability only, General Liability, and Automobile Liability, in an amount not less than \$5,000,000 per occurrence and \$5,000,000 in the aggregate.

1.6 **Professional Liability Insurance**

1.6.1 If the preceding box is checked, Supplier shall carry Professional Liability Insurance for the services provided hereunder, in an amount not less than \$1,000,000 per claim and \$5,000,000 in the aggregate.

1.7 **Deductibles**

1.7.1 Any and all deductibles, or self-insured retentions, of all insurance policies required hereunder shall be assumed by, for the account of, and at the Contractor's sole risk and expense, and shall not be billed to or payable by Company, or its subsidiaries and affiliates.

1.8 **Additional Insureds**

1.8.1 The insurance required by General Liability, Automobile Liability, and Excess Liability (if required) Sections shall include Company, including its direct and indirect subsidiaries and affiliates including Limited Liability Companies, as additional insureds with respect to all operations and work hereunder, as to the full limits of liability purchased by Contractor (including limits greater than the minimum limits required herein), and shall include language providing:

1.8.1.1 That such insurance applies separately to each insured against whom claim is made or suit is brought; and

1.8.1.2 That such coverage to Company, including its subsidiaries and affiliates, no less broad than one or the other of the following alternatives: (a) the coverage afforded to the named insured under the policy with respect to the work or services to be performed hereunder; or (b) the coverage afforded by the combination of Insurance Services Office Endorsements' CG 20 33 07 04 (entitled "Additional Insured – Owners, Lessees or Contractors – Automatic Status When Required in Construction Agreement with You) and CG 20 37 07 04 (entitled "Additional Insured – Owners, Lessees or Contractors – Completed Operations"); and,

1.8.1.3 That such insurance shall respond as primary insurance and shall not contribute with any other valid and collectible other insurance that may be maintained by Company, or its subsidiaries and affiliates.

1.9 **Waiver of Subrogation**

1.9.1 The insurance required by Workers Compensation and Employers' Liability, General Liability, Automobile Liability, Excess Liability (if applicable), and Professional Liability (if applicable) Sections shall include full Waivers of Subrogation in favor of Company, including its direct and indirect subsidiaries and affiliates and

Limited Liability Companies, unless Waiver of Subrogation is prohibited by the law governing such insurance.

1.10 **Certificates of Insurance**

1.10.1 Contractor shall furnish Company with Certificates of Insurance signed by Contractor's insurance agent, showing Contractor's procurement of the insurance required hereunder. Each such Certificate shall accurately reflect insurance in place, shall be in a form satisfactory to Company, and shall contain language:

1.10.1.1 Expressly and specifically referring to the Contract, "Contract Number, P.O. Number or unique reference _____"; (the Contract to which this is attached);

1.10.1.2 Providing that thirty (30) days written notice (except ten (10) days written notice in the case of nonpayment of premium) shall be given to Company prior to cancellation of or material change in the coverage (and, the word "endeavor" or similar term used in the standard Accord form shall be stricken);

1.10.1.3 Confirming that Company, including its direct and indirect subsidiaries, affiliates and Limited Liability Companies, are Additional Insureds, as required by Additional Insureds Section hereof;

1.10.1.4 Confirming Waiver of Subrogation in favor of Company, including its direct and indirect subsidiaries, affiliates and Limited Liability Companies, as required by the Waiver of Subrogation Section hereof; and,

1.10.1.5 Attaching the language or endorsement(s) by which Company including its direct and indirect subsidiaries, affiliates, and Limited Liability Companies is made an additional insured and coverage is primary and non-contributing.

1.11 **Claims-Made Insurance**

1.11.1 If the insurance required hereunder is procured on a form affording "claims-made" coverage, then (i) all limits stated above as "per occurrence" shall be understood to mean "per claim" or "per occurrence," as is consistent with the terms of the "claims-made" policy; and, (ii) such claims-made insurance shall not provide for a retroactive date later than the commencement of Contractor's performance hereunder.

1.12 **Reinstatement of Impaired Limits**

1.12.1 In the event that the required aggregate limits of liability of any insurance required hereunder are reduced or impaired by 50% or more, then Contractor shall give Company notice of the impairment and promptly cause such impaired limits to be reinstated to the required limits.

1.13 **Subcontractors' Insurance**

1.13.1 Contractor shall cause its Subcontractors, including all persons hired by Contractor who are not Contractor's employees, who perform any part of the Work hereunder, to procure and to maintain in full force and effect insurance of the types and amounts, and meeting the requirements described in Workers' Compensation and Employers' Liability, General Liability, Automobile Liability, Excess Liability (if applicable), Professional Liability (if applicable), Deductibles, Waiver of Subrogation, and Certificates of Insurance Sections above.

1.14 **Term of Required Insurance**

1.14.1 All terms of these insurance requirements shall survive termination of this contract and shall continue until thirty (30) days past the final completion of all Work or services to be provided hereunder, including

the performance of any warranty work. In addition, Contractor shall maintain in force and effect completed operations coverage under the insurance policies required by General Liability and Excess Liability (if applicable), and any "claims-made" coverage within Claims-Made Insurance Sections, for a minimum of two (2) years after final completion of all Work or services to be provided hereunder. Contractor shall purchase an extended reporting period, or "tail coverage," if necessary to comply with the latter requirement.

1.15 **No Waiver by Company**

1.15.1 Contractor's failure to provide insurance as required hereunder, or Contractor's failure to supply Certificates of Insurance that comply with Certificates of Insurance Section, above or the failure of Company to require evidence of insurance or to notify Contractor of any breach by Contractor of the requirements of these provisions or deficiencies in the insurance obtained, shall neither constitute a waiver by Company of any of the these Insurance Requirements, nor a waiver of any other terms and conditions of this contract, including Contractor's obligations to defend, indemnify, and hold harmless Company (including subsidiaries and affiliates), as required herein.

1.16 **Performance and Payment Bond**

1.16.1 Contractor shall carry a Payment and Performance Bond in the amount of ____% of the value of the total contract. Such bond(s) shall be maintained through the life of the Contract and until all Subcontractors, vendors, or suppliers have released Contractor from all obligations. Bond value may be increased or decreased upon notice given to Contractor.