

# SUBCONTRACT AGREEMENT EXHIBIT – D

## Insurance Clause

Subcontractor shall purchase and maintain Commercial General Liability insurance as required to protect Subcontractor and Contractor from claims set forth in items “A” through “F” below that may arise out of, result from, or are in any manner connected with: (1) the execution of the Work, or (2) occur or result from the use by Subcontractor, its agents or employees, of materials, equipment, instrumentalities or other property, whether the same be owned by Contractor, Subcontractor, Sub-Subcontractors, or third parties. The insurance required hereunder shall be effective and apply whether such claims arise during Subcontractor’s performance or subsequent to completion of operations under the Contract Documents and whether operations be by Subcontractor or by anyone directly or indirectly employed by Subcontractor or by anyone for whose acts Subcontractor may be liable, and whether such claims are claims for which Contractor may be, or may be claimed to be, liable. Such insurance shall include, without limitation, coverage and endorsements that will insure Subcontractor’s indemnity obligations under the Agreement. Contractor shall require its Sub-Subcontractors to comply with all insurance requirements in this clause. Subcontractor shall at all times be responsible for determining and ensuring that its Sub-Subcontractors are insured as required by the Contract Documents. The premiums, costs, and charges for any such insurance shall be paid by each Sub-Subcontractor at its own expense. The insurance required to be obtained under the Contract Documents shall be written for not less than the limits of liability specified below or required by law, whichever is greater. The types of claims, required coverages and minimum limits of liability are as follows:

- A. Claims under Subcontractor’s Workers’ Compensation disability benefit and other similar employee benefit acts; claims for damages because of bodily injury, occupational sickness or disease or death of employees. Insurance coverage shall include Statutory Workers’ Compensation, including Employers Liability with a minimum limit of \$500,000 for each employee.
- B. Claims for damages because of bodily injury, occupational sickness or disease, or death, by any person other than employees; claims for personal injuries which are sustained by (1) any person as a result of an act or omission directly or indirectly related to the employment of such person by Subcontractor, or (2) any other person; claims for damages because of injury to or destruction of tangible property including loss of use resulting therefrom. Insurance coverages shall include:
- Premises – Operations
  - Products – Completed Operations
  - Blanket Contractual Liability insurance applicable to Subcontractor’s defense and indemnity obligations under this Agreement, and other contractual indemnities assumed by Subcontractor under the Contract Documents
  - Broad Form Property Damage
  - Personal Injury
  - Blanket Explosion, Collapse and Underground Property Damage
  - Operations of Independent Subcontractors

Policy Limits:	General Aggregate	\$2,000,000
	Products/Completed Operations Aggregate	\$2,000,000
	Personal Injury	\$1,000,000
	Each Occurrence	\$1,000,000

The General Aggregate coverage shall apply to each project of the Subcontractor under the Subcontractor’s Commercial General Liability policy. Commercial General Liability insurance required under this Paragraph shall be written on an occurrence form (ISO Form CG 00 01 or equivalent) and shall include coverage for Products/Completed Operations.

- C. Claims for damages because of bodily injury or death of any person, or any property damage, arising out of the ownership or use of any motor vehicle. Insurance coverage shall include Commercial Automobile Liability insurance including owned, hired and non-owned vehicles with limits of liability of \$1,000,000 Combined Single Limit for each occurrence for bodily injury and death, or property damage.
- D. Umbrella/Excess Liability limits of \$5,000,000 Each Occurrence/\$5,000,000 Aggregate to extend over Employers Liability, Commercial General Liability and Automobile Liability limits outlined in Sections, A, B and C above.
- E. If applicable, Subcontractor's Pollution Liability insurance with limits of liability not less than \$2,000,000 each occurrence, \$2,000,000 aggregate, covering claims from third party injury and property damage as a result of pollution conditions arising out of Subcontractor's operations and completed operations. Completed operations coverage shall remain in effect for a period of at least six (6) years from substantial completion or until expiration of the statute of repose applicable to such claims in the jurisdiction where the Project is located, whichever is greater.
- F. If applicable, Subcontractor's Professional Liability insurance written on a claims made basis with limits of liability not less than \$2,000,000 per claim and \$2,000,000 aggregate insuring Subcontractor and all persons for whose acts, errors or omissions of any of the foregoing in connection with the carrying out of their professional responsibilities for the Project. Any retroactive date on the policy must precede the date the Agreement is signed. The deductible under the policy shall not exceed \$15,000. Subcontractor's Professional Liability insurance shall remain in effect for a period of at least six (6) years from substantial completion or until expiration of the statute of repose applicable to such claims in the jurisdiction where the Project is located, whichever is greater.

The limits of liability specified above shall be considered minimum requirements. Approval of the insurance by Contractor shall not relieve or decrease the liability of Subcontractor. Contractor does not in any way represent that the insurance or limits of insurance specified above are sufficient or adequate to protect Subcontractor's interests or liabilities, but are minimums. Employer's Liability, Commercial General Liability and Automobile Liability insurance may be arranged under single policies for full minimum limits required, or by a combination of underlying policies with the balance provided by an Excess or Umbrella Liability policy.

Subcontractor shall endorse its Commercial General Liability (including Products/Completed Operations coverage and utilizing ISO endorsements CG 20 10 07 04 and CG 20 37 07 04 or equivalents) and Umbrella/Excess Liability policies to add: **Contractor and such other parties as required by the Contract Documents** as additional insureds with respect to liability arising out of (a) operations performed for Contractor by or for Subcontractor, (b) Subcontractor's completed Work, (c) acts or omissions of Contractor or Contractor's agents or employees in connection their general supervision of operations by or for Subcontractor, (d) claims for bodily injury or death brought against any of the additional insureds by Subcontractor's employees, or the employees of its Sub-Subcontractors of any tier, however caused, related to the performance of the Work under the Contract Documents. Such insurance afforded to Contractor and others as additional insureds under Subcontractor's policies shall be primary insurance and not excess over, or contributing with, any insurance purchased or maintained by Contractor or others required to be included as additional insureds. The additional insured status must be reflected on Subcontractor's Certificate of Insurance to Contractor.

Subcontractor will further provide Certificates of Insurance with additional insured status per the above requirements on an annual basis, naming Contractor and such other parties as required by the Contract Documents as additional insureds, for a period of at least six (6) years from substantial completion or until expiration of the statute of repose applicable to such claims in the jurisdiction where the Project is located, whichever is greater. Any and all applicable endorsement forms should accompany the Certificates.

Certificates of Insurance shall be filed with Contractor prior to commencing any Work hereunder. Renewal certificates shall be provided to Contractor with Subcontractor's final Application for Payment and thereafter to Contractor not less than ten (10) days prior to the expiration date of any of the required policies. All Certificates of Insurance shall be in a form acceptable to Contractor and shall provide satisfactory evidence that Subcontractor has complied with all insurance requirements. Contractor shall not be obligated to review certificates or other evidence of insurance, or to advise Subcontractor of any deficiencies in such documents, and receipt thereof shall not relieve Subcontractor from, nor be deemed a waiver of Contractor's right to enforce, the terms of Subcontractor's obligations under the Contract Documents. All insurance policies shall contain a provision that coverages and limits afforded thereunder shall not be canceled, materially changed, non-renewed, or restrictive modifications added, without thirty (30) days prior written notice to Contractor. Contractor shall have the right to examine any policy or endorsements required under this Agreement.

Subcontractor shall maintain all insurance coverages required under this Agreement, and by the Contract Documents, at Subcontractor's sole expense and with insurance carriers authorized and licensed to do business in the state in which the Project is located and having a current A.M. Best rating of not less than A - X, unless a different A.M. Best rating is accepted by Contractor in writing. Subcontractor is responsible at Subcontractor's expense for any additional insurance Subcontractor deems necessary to protect Subcontractor's interest from other hazards or claims in excess of the aforementioned minimum insurance coverages. In the event Subcontractor fails to procure or maintain any insurance required by the Contract Documents, Contractor may, at its option,

purchase such coverage and deduct the cost thereof from any monies due to Subcontractor, withhold funds from Subcontractor in an amount sufficient to protect Contractor and other insured parties, or terminate this Agreement pursuant to its terms.

All insurance policies required to be obtained by Subcontractor and its Sub-Subcontractors hereunder shall include a waiver of subrogation by endorsement or otherwise in favor of Contractor and its agents, employees, officers, directors, and lenders and Architect. The waivers of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest.

Before beginning any work for Stonebridge Construction, Inc., SUBCONTRACTOR and SUB-SUBCONTRACTOR(S) will provide to Stonebridge Construction, Inc. insurance certificates showing compliance with these specifications.