

PURCHASE ORDER INSURANCE REQUIREMENTS INCREASED COVERAGE

Insurance.

During the term of this Purchase Order and any project awarded to the Subcontractor hereunder, the Subcontractor will, at its sole expense, secure and maintain and will file with the Contractor, proper and acceptable evidence of the following described insurance, which coverage shall (1) be secured with an insurance company acceptable to the Contractor, (2) be issued as a primary policy not contributing with and not in excess of any primary and/or excess coverages carried by the Contractor and (3) contain loss payable clauses satisfactory to the Contractor for applicable coverages.

Such coverage shall be provided without interruption or lapse of any kind regardless of the reason for the same. Without limiting the foregoing, Subcontractor shall comply in all material respects with FAR 52.228-5 and specifically, Subcontractor shall ensure that the policies evidencing required insurance shall contain an endorsement to the effect that any cancellation or any material change adversely affecting Contractor and/or the underlying customer herein shall not be effective (1) for such period as the laws of the State in which this contract is to be performed prescribe or (2) until 30 days after the insurer or Subcontractor gives written notice to Contractor, whichever period is longer.

1. **Worker's Compensation Insurance and Employer's Liability Insurance.** Worker's compensation insurance and employer's liability insurance in compliance with the laws of all applicable states and USL&H, Jones Act, and any other coverages that may apply where the work is performed covering all employees engaged in the performance of the Work specified in this Purchase Order and any project hereunder, including coverage for Employer's Liability for:
 - a. Bodily Injury by Accident - \$500,000 each accident
 - b. Bodily Injury by Disease - \$500,000 each employee
 - c. Bodily Injury by Disease - \$500,000 policy limit

2. **General Liability Insurance,** Comprehensive General Liability Insurance including blanket Contractual, Property Damage and Independent Contractors Personal Injury, and Products-Completed Operations Liability Insurance insuring the indemnity agreement set forth in Paragraph 15, PO Terms and Conditions, CAC-FIN-P030, with minimum limits as follows:
 - a. Each Occurrence Limit - \$1,000,000 combined single limit for bodily injury and property damage liability.
 - b. Personal and advertising injury limit - \$1,000,000.
 - c. Products-Completed Operations Aggregate Limit - \$2,000,000

- d. General Aggregate Limit (other than Products-Completed Operations) - \$2,000,000. This policy shall be endorsed to have the General Aggregate limit apply on a "per project basis".
3. **Property Insurance.** Unless otherwise provided, the Subcontractor shall purchase and maintain property insurance upon the entire work at the site to the full insurable value thereof for any property under its care, custody and control.. This insurance shall insure against the perils of fire and extended coverage and shall include all risk insurance for physical loss or damage including, without duplication of coverage, theft, vandalism and malicious mischief.
4. **Automobile Liability Insurance.** Automobile liability insurance covering owned, non-owned and hired vehicles with limits of not less that \$1,000,000 combined single limit for bodily injury and property damage liability resulting from any one accident.
5. **Excess/Umbrella Liability Insurance.** Excess/Umbrella insurance in an amount not less that \$2,000,000 combined single limit for any one occurrence, and \$2,000,000 annual aggregate. This policy is to provide no less that the same coverage described in Paragraphs 1, 2 and 4 above, and is to be in excess of required primary limits of liability.
6. **Builder's Risk.** Builder's risk insurance that also covers commissioning in an insured amount equal to the amount of the Project.
7. **Pollution Insurance.** Pollution insurance in an amount not less than \$5,000,000 combined single limit for any one occurrence, and \$10,000,000 annual aggregate. The policy shall include endorsements for abatement of all hazardous materials including, but limited to, asbestos and lead containing materials.
8. **Professional Liability Insurance.** Professional liability insurance in an amount not less than \$1,000,000 per claim with a \$2,000,000 annual aggregate, to include limited contractual liability coverage. Insurance will be maintained in force for a period of three (3) years after substantial completion of the project.
9. All liability insurance shall insure performance by the Subcontractor of the indemnification provisions under Paragraph 15, PO Terms and Conditions, CAC-FIN-P030.
10. All insurance required under this Purchase Order shall be issued by insurance companies with a minimum rating of A-VII or better in the most recent edition of Best's Insurance Reports.
11. The minimum policy limits required in this section are exclusive of costs of defense. The Subcontractor's obligation to procure and maintain the insurance required in this document, subparagraphs 1-10 above is not in derogation of, nor in substitution for Subcontractor's obligation to protect, defend, indemnify and save

the Contractor harmless under those provisions or under Paragraph 15, PO Terms and Conditions, CAC-FIN-P030, it being understood that Subcontractor's obligation to protect, defend, indemnify and save the Contractor harmless are not dependent upon nor limited to the amount or availability of insurance proceeds.

12. **Additional Insured.** The Contractor shall be listed as additional insured on the Subcontractor's policies for all liability insurance, except worker compensation, required under the terms of this Subcontract, and such liability insurance policies, including all primary policies and any excess/umbrella policies shall be primary to any primary and/or excess/umbrella liability insurance carried by Contractor.
13. **Waiver of Subrogation.** All policies shall be endorsed to provide that underwriters and insurance companies of the Subcontractor shall not have any rights to subrogate against Contractor.
14. **Certificates and Policies.** The Subcontractor shall furnish certificates of insurance evidencing compliance with the foregoing requirements, including the per project general aggregate, as a condition of initial prequalification as well as a condition of continued prequalification for the Contract period. Each Certificate will provide that the "other insurance" clause of the policies evidenced by the Certificates shall be interpreted to make it primary to any insurance policies maintained by Contractor which might otherwise be applicable.

Certificates of Insurances shall be sent to:

Chugach
ATTN:

15. **Premiums Responsibility.** All policies shall be endorsed to provide that there will be no recourse against Contractor for payment of the Subcontractor's premiums.