

SUBCONTRACTOR'S INSURANCE

Before commencing the Subcontract Work, and as a condition precedent for payment, the subcontractor shall purchase and maintain insurance, in conformance with the provisions contained in this Exhibit. This insurance will provide a defense and indemnify the Contractor against any and all claims of any nature whatsoever, arising out of the Subcontract Work and for Subcontractor's operations under this Agreement. This insurance shall apply regardless of whether the operation actions, derelictions or failures to act, from which the claim arises, are attributable to the Subcontractor, any of its consultants, officers, agents, subcontractors, employees, or anyone directly or indirectly employed by any of them, including anyone for whose acts any of the aforementioned may be liable by operation of statute, government regulation, or applicable case law.

Proof of this insurance shall be provided to the Contractor before the work commences, as set forth below. In no event shall the failure to provide this proof to the commencement of the work, be deemed a waiver by the Contractor of Subcontractor's insurance obligations set forth herein.

In the event that the insurance company (ies) issuing the policy (ies) required by this exhibit deny coverage to the Contractor, the Subcontractor will defend and indemnify the Contractor at the Subcontractors expense.

MINIMUM LIMITS OF LIABILITY

The Subcontractor must maintain the required insurance with a carrier rated A- or better by A M. Best.

The Subcontractor shall maintain at least the limits of liability as set forth below:

Commercial General Liability Insurance

\$1,000,000 Each Occurrence Limit (Bodily Injury and Property Damage)

\$2,000,000 General Aggregate

\$2,000,000 Products/Completed Operations Aggregate

\$1,000,000 Personal and Advertising Injury Limit

Comprehensive Automobile Liability Insurance

\$1,000,000 Combined Single Limit Bodily Injury and Property Damage

Workers' Compensation and Employers' Liability Insurance

\$1,000 Each Accident

\$100,000 Each Employee for Injury by Disease

\$500,000 Aggregate for Injury by Disease

Additional Insured Status and Certificate of Insurance

The Contractor and Owner, along with their respective officers, agents and employees, shall be named as additional insureds for Operations and Products/Completed Operations on the Subcontractor's Commercial General Liability Policy, which must be primary and noncontributory with respect to the additional insureds. This insurance shall remain in effect as set forth below in the "Continuation of Coverage" provision.

It is expressly understood by the parties to this Contract that it is the intent of the parties that any insurance obtained by the Contractor is deemed excess, non-contributory and not co-primary in relation to the coverage(s) procured by the Subcontractor, any of its consultants, officers, agent subcontractors, employees or anyone directly or indirectly employed by any of them, or by anyone for whose acts any of the aforementioned may be liable by operation of statute, government regulation or applicable case law.

A Waiver of Subrogation Clause shall be added to the General Liability; Automobile and Workers Compensation policies in favor of Contractor and Owner, and this clause shall apply to the Contractor's and Owner's officers, agents and employees, with respect to all projects during the policy term.

Prior to commencement of work, Subcontractor shall submit a Certificate of Insurance in favor of Contractor and an Additional Insured Endorsement (in form acceptable to Contractor) as required hereunder. The Certificate shall provide for 30 days' notice to Contractor for cancellation or any change in coverage.

NO LIMITATION ON LIABILITY

In any and all claims against the additional insured by any employee of the Subcontractor, anyone directly or indirectly employed by the Subcontractor or anyone for whose acts the Subcontractor may be liable, the indemnification obligation shall not be limited by any limitation on the amount or type of damages, compensation or benefits payable by or for the Subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

CANCELLATION, RENEWAL AND MODIFICATION

The Subcontractor shall maintain in effect all insurance coverages required under this Agreement at the Subcontractor's sole expense and with insurance companies acceptable to the Contractor. The policies shall contain a provision that coverage will not be cancelled or not renewed until at least thirty (30) days prior written notice has been given to the Contractor. Certificates of insurance showing required coverage to be in force must be delivered to the Contractor prior to commencement of the Subcontract Work. In the event the Subcontractor fails to obtain or maintain any insurance coverage required under this Agreement the Contractor may, at its sole discretion, purchase such coverage as desired for the Contractor's benefit and charge the expense to the Subcontractor, or, in the alternative, terminate this Agreement.

CONTINUATION OF COVERAGE

The Subcontractor shall continue to carry Completed Operations Liability Insurance for at least three years after either ninety- (90) days following Substantial Completion of the Work or final payment to the Contractor, whichever is later. The Subcontractor shall furnish the Contractor evidence of such insurance at final payment and in each successive year during which the insurance coverage must remain in effect.

ACKNOWLEDGEMENT OF REFERRAL OF THIS PROVISION TO SUBCONTRACTOR'S INSURANCE AGENT OR BROKER.

The Subcontractor represents that he has provided a copy of the "Insurance Provisions" to his insurance agent and/or broker, and that the Subcontractor has instructed the agent/broker to provide insurance in full compliance with the terms and conditions herein.

The Contractor and Subcontractor hereby acknowledge that this Exhibit is considered a material term of their contract.



5500 Cottonwood Lane #110, Prior Lake MN 55372 – Phone 952-226-1100

INSURANCE REQUIREMENTS

*PLEASE NOTE: We require a **BLANKET WAIVER OF SUBROGATION** on your Certificate of Insurance if contract is awarded. The Blanket Waiver is endorsed one time at a cost of \$500 per policy period.*

Premium charges for Waivers of Subrogation are actually standard in the insurance industry. Here's why: The right of subrogation is the process where an insurance company, after paying a claim to its insured, can recover that payment from any party who caused the loss or is legally liable for the loss.

When a policyholder elects to waive the right of subrogation as a part of their insurance coverage, CopperPoint is then limited or prohibited altogether from recovering the money it has paid on a claim – even though the loss was caused by a negligent third party. So, charging for the Waiver of Subrogation helps offset the cost of the money paid on a claim that otherwise CopperPoint would try to recover from a negligent third party.

To better serve our Insureds, a revision has been filed to amend the costs associated with waivers effective 3/1/2015. If you require both Blanket and Specific Waivers you may want to consider requesting a Blanket Waiver first, as this will allow subsequently issued Specific Waivers at no charge for the policy period. The Blanket Waiver is endorsed one time at a cost of \$500 per policy period. Specific Waivers endorsed for each specific job without a Blanket Waiver previously endorsed are \$250 each.

Should you have any questions, please contact Wendy Literski at 952-226-1100 or wliterski@stanleyandwencil.com. Thank you.