

EXHIBIT "A"
SUBCONTRACT INSURANCE AND BOND REQUIREMENTS

In addition to the requirements contained in Section A Insurance, Subcontractor shall, at its expense, procure and maintain insurance and required coverages in forms acceptable to the Contractor on all its operations by insurance companies authorized to do business in California and having at least an A. M. Best rating of no less than A- VII.

1. Workers' Compensation and Employers Liability Insurance as required by any applicable law, regulation or statute including:
 - a. \$1,000,000 each accident for bodily injury by accident;
\$1,000,000 each employee for bodily injury by disease;
\$1,000,000 policy limit for bodily injury by disease;
 - b. Longshoreman's & Harbor Workers' Act coverage on any employees working under this jurisdiction;
 - c. Coverage for Jones Act exposure on any maritime exposure;
 - d. Waiver of Subrogation endorsement in favor of the Contractor and the Project Owner.
2. General Liability Insurance, either Comprehensive General Liability or Commercial General Liability on coverage forms at least as broad as ISO occurrence form CG 0001 shall be maintained by subcontractor at all times during performance of operations and after completion through the expiration of all statutes of limitations. This insurance must include coverage as indicated below:
 - a. Premises and Operations;
 - b. Broad Form Property Damage including Products & Completed Operations coverage;
 - c. Explosion, Collapse, Underground Hazards;
 - d. Contractual Liability insuring obligations assumed in this subcontract;
 - e. Contractors' Protective Liability;
 - f. Liability for subsidence of land and other forms of land movement;
 - g. Personal Injury and Advertising Injury Liability;
 - h. "Claims Made" and "Modified Occurrence" policy forms are not acceptable;
 - i. General Aggregate Limits of Insurance shall apply separately to the project;
 - j. Should policy contain a "cross-suits" exclusion, such exclusion must not apply to any additional insured;
 - k. Policy shall not contain any provision or definition which would serve to eliminate coverage for claims brought by employees of any subcontractor or claims by any lower tier subcontractors, such as an independent contractor exclusion.
 - l. General Liability and Excess/Umbrella policies must not contain any exclusions from coverage for "earth movement," "subsidence," or "mold." In the event such exclusions are contained in the General Liability or Excess/Umbrella policies, Subcontractor must assure Contractor exposures are covered within other policies of insurance and provide evidence of that insurance to Contractor for approval prior to commencing work.
3. Limits of Liability:
 - a. \$2,000,000 each occurrence Bodily Injury and Property Damage combined;
 - b. \$2,000,000 for Personal Injury Liability;
 - c. \$2,000,000 aggregate on Products & Completed Operations;
 - d. \$2,000,000 general aggregate;
 - e. If either defense costs are included in the General Aggregate limit or if the General Aggregate limit does not apply separately to this project, then the required General Aggregate limit is to be \$5,000,000.
 - f. If higher limits or other forms of insurance are required by either the Owner or the Contractor, or are required due to the nature of the work being performed, the Subcontractor will comply with such requirements.
4. Automobile Liability Insurance, including:
 - a. Coverage on all owned, non-owned and hired automobiles;
 - b. Limit of liability shall not be less than \$1,000,000 Combined Single Limit;
 - c. Contractor and Owner will be named as additional insured;
5. Additional Insured and Primary Insured Requirement
 - a. Under the commercial General Liability policy the subcontractor shall add the Contractor, its officers, directors and employees and the Owner and any other parties required by project Owner, as additional insureds. The Additional Insured Endorsement must cover products & completed operations. Should the Additional Insured Endorsement contain an expiration date, subcontractor agrees to name Contractor as an additional insured on his policy (including products & completed operations coverage) through the expiration of all statutes of limitations related

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to the construction of the project. The policy shall stipulate that the insurance afforded the contractor, its officers, directors and the employees and the Owner as additional insureds shall apply as primary insurance and that any other insurance carried by the contractor, its officers, directors and employees or the Owner will be excess only and will not contribute with this insurance. If any excess or umbrella liability policies are used to meet the limits of liability required by this subcontract or are carried by subcontractor in addition to the requirements of this subcontract said policies shall be "following" form of the underlying primary policy and shall meet the additional insured and primary insurance requirements as identified above.

- b. The additional insured coverage shall be provided by an endorsement providing coverage at least as broad as:
 - (1) Additional Insured (Form B) endorsement form **CG 2010 1185** (1985 version) as published by the Insurance Services Office (ISO) (or equivalent);
 - (2) A combination of Additional Insured endorsement form **CG 2010 1093** (1993 version) as published by the Insurance Services Office (ISO) (or equivalent) and Additional Insured endorsement form **CG 2037 1001** (2001 version) as published by the Insurance Services Office (ISO) (or equivalent).
- c. Additional insured endorsements shall be provided through all required statutory periods applicable to products & completed operations and maintained, inclusive of additional insured provisions, in all future renewals of this coverage.

6. Certificates of Insurance:

Certificates of Insurance shall be furnished by the Subcontractor to Contractor before any work is commenced hereunder by the Subcontractor. The Certificates of Insurance shall provide that there will be no cancellation or reduction of coverage without thirty (30) days prior written notice to Contractor. In the event Subcontractor does not comply with the requirements of this section, Contractor, at its option, may provide insurance coverage to protect its interests and charge the Subcontractor for the cost of that insurance or Contractor may terminate this Agreement. The required insurance shall be subject to approval of Contractor, but any acceptance of insurance certificates by the Contractor shall in no way limit or relieve the Subcontractor of the duties and responsibilities assumed by the Subcontractor in this Contract. Neither the forbearance nor omission by Contractor to require proof of all provisions of this insurance from Subcontractor before permitting Subcontractor to proceed or continue with the Work will be deemed as a waiver of Contractor's rights or Subcontractor's obligations regarding the provisions of insurance under the Subcontract. No work shall be performed at the project site until said certificates have been furnished and approved. Payment may be withheld, at the option of the Contractor, until such certificates have been furnished, or if upon receipt of a cancellation notice on a policy, until withdrawal of the notice or the reinstatement of the canceled policy. Copies of policies shall be furnished upon request.

7. Self Insured Retention:

Any self insured retention or deductible greater than \$25,000 must be declared by subcontractor and approved by Contractor.

8. Insurance Requirements for Sub-subcontractors, Truckers, Vendors and Suppliers:

Subcontractor shall ensure that all tiers of their Subcontractors, Truckers Vendors and Suppliers shall maintain insurance in like form and amounts, including the Additional Insured requirements set forth in Paragraph "5." Each Sub-subcontractor, prior to the start of their work on this project, shall provide copies of Certificates of Insurance.

9. Professional Liability Exposure:

A \$1,000,000 Professional Liability Insurance Policy shall be carried by Subcontractor or their Sub-subcontractor if work under this subcontract includes professional or design-build services. Evidence of coverage in the form of a Certificate of Insurance shall be provided prior to the start of the project. If insurance is provided on a project specific basis, coverage must allow for the reporting of claims for 3 years following completion of the work. If insurance is provided by an annual policy applicable to all operations then Subcontractor shall maintain coverage for a minimum of 3 years following substantial completion. If owner or contractor elects to purchase a project specific Professional Liability policy, Subcontractor's Professional Liability policy will be endorsed to provide excess coverage.

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10. Aircraft Insurance:

If the Subcontractor or his Subcontractors use any owned, leased, chartered or hired aircraft of any type in the performance of this contract, they shall maintain aircraft liability insurance in an amount of not less than \$10,000,000 per occurrence including Passenger Liability. Evidence of coverage in the form of a certificate of insurance shall be provided prior to the start of the project. Contractor and Owner shall be named as an additional insureds.

11. Protection of Work/Materials and Builders Risk Insurance:

Subcontractor shall insure, through an installation floater form of policy, secure and protect his work and material from damage until final acceptance by Owner. All deductibles shall be the responsibility of Subcontractor.

12. Riggers Liability:

Should Subcontractor's work involve the moving, lifting, lowering, rigging or hoisting of property or equipment, Subcontractor shall carry Rigger's Liability Insurance to insure against physical loss or damage to the property or equipment.

13. Hazardous Materials and Pollution Liability:

If Subcontractors or their Subcontractors are required to either perform remediation of hazardous materials such as asbestos containing materials, contaminated soil etc. or if their operations create an exposure to hazardous materials, they must, in addition to the above requirements, carry a "Contractor's Pollution Liability" policy with limits not less than \$2,000,000 per occurrence and not less than \$2,000,000 aggregate for Bodily Injury, Personal Injury and Property Damage, naming Contractor and the owner as additional Insured.

If Subcontractor or their subcontractors haul hazardous material, (including without limitation waste), they must carry Automobile Liability Insurance with a \$2,000,000 combined single limit per occurrence for Bodily Injury and Property Damage applicable to all hazardous waste hauling. If Subcontractor is subject to the Motor Carrier Act of 1980, the Motor Carrier Act endorsement MCS-90 must be obtained and attached to the policy.

14. Subcontractor's obligations for loss or damage arising out of Subcontractor's work is in no way limited to the types or amounts of insurance set forth above. To the extent Subcontractor maintains insurance greater than these minimum requirements, Subcontractor agrees that such insurance shall be applicable to any of Subcontractor's liability obligations hereunder. In specifying minimum insurance requirements herein, neither Contractor nor Owner assert or recommend this insurance as adequate to Subcontractor's requirements. Subcontractor is solely responsible to inform itself of types or amounts of insurance it may need beyond these requirements to protect itself from loss, damage, or liability. Failure of Contractor to enforce in a timely manner any of the provisions of this Agreement shall not act as a waiver of enforcement of any of these provisions at a later date in the performance of this Agreement. Any exception to the provisions of the Agreement must be delineated in the Contract Documents.

15. Subcontractor Payment and Performance Bond:

- a) Minimum A.M. Best's Rating (A- VII),
- b) Federal Treasury List. Bond Amounts not to exceed Surety's Underwriting Limitation,
- c) Admitted in the State of California,
- d) Subcontractor Surety shall use Amoroso standard bond form only.

BOND NO. _____

PREMIUM _____

SUBCONTRACT PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, That we _____ as Principal, and
_____ as Surety,
are held and firmly bound unto _____ as Oblige,ee,
in the penal sum of _____

DOLLARS (_____) lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THE OBLIGATION IS SUCH, That Whereas, the Principal entered into a certain agreement which is hereto attached and made a part hereof, with the Oblige,ee dated _____
for _____

_____ being part of the work covered by a contract dated on or about _____,
between _____
hereinafter called Owner, and the said Oblige,ee for _____

_____ which contract and the specifications and general conditions hereof are hereby incorporated herein and shall be deemed a part hereof as fully as if set out herein.

NOW, THEREFORE, if the said Principal shall fully indemnify and save harmless the Oblige,ee from all loss, liability, costs, damages, penalty, attorney's fees or expense which Oblige,ee may incur by reason of failure to well and truly keep and perform each, every and all of the terms and conditions of said agreement on the part of the said Principal to be kept and performed, including but not limited to, completion within the item specified of all work covered by said agreement, performance of all obligations, and guarantees of the Oblige,ee relating to such work under the contract with the Owner, then this obligation shall be of no effect, but otherwise it shall remain in full force and effect.

It is a condition hereof that any change, alteration, modification or amendment of any nature whatsoever that may be made in the terms of said agreement, any change in the character or scope of the work to be performed or the method of performance, under said agreement or modification of said agreement or in the time for completion thereof, any change in the manner, time or amount of payment as provided therein, any change of any nature whatsoever that may be made in the terms of the contract between the said Oblige,ee and the Owner or any change that may be made in the performance of the work under said agreement by the Principal, assented to by the Oblige,ee, whether made under express agreement or not, may be made without notice to the Surety and without requiring the consent of the Surety. No such change or changes shall release the Surety from any of its obligations hereunder, and the Surety's obligations as well as the penal sum of this bond shall be increased and/or expanded consistent with any such change or changes, the Surety hereby consenting to and waiving notice of any such change, alteration, modification or amendment.

It is a further condition hereof that no one other than the named Oblige,ee and the successors, administrators, or assigns of the Oblige,ee shall have any right of action under this bond.

IN WITNESS WHEREOF, the said Principal and Surety have hereunto set their hands and seals, this

_____ day of _____, _____.

Principal

By: _____

Title: _____

Surety

By: _____

Title: _____

BOND NO. _____

PREMIUM _____



SUBCONTRACT PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS, That we _____ as Principal, and
_____ as Surety,
are held and firmly bound unto _____ as Obligees,
in the penal sum of _____

DOLLARS (_____) lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THE OBLIGATION IS SUCH, That Whereas, the Principal entered into a certain agreement which is hereto attached and made a part hereof, with the Obligees dated _____
for _____

_____ being part of the work covered by a contract dated on or about _____,
between _____
hereinafter called Owner, and the said Obligees for _____

_____ which contract and the specifications and general conditions hereof are hereby incorporated herein and shall be deemed a part hereof as fully as if set out herein.

NOW, THEREFORE, if the said Principal shall pay promptly and in full the claims of all persons, firms or corporations, performing labor or furnishing equipment, materials, or supplies incurred in connection with the contract to be performed under said agreement, and shall indemnify and save harmless the Obligees from all loss, liability, costs, damages, penalty, attorney's fees or expenses for all taxes, insurance premiums, any and all applicable contributions, allowances or other payments or deductions, however termed, required by statute or union labor agreement, including voluntary payment thereof the Obligees necessary to insure orderly prosecution of work or other items or services used in, upon or for or incurred in connection with the contract to be performed under said agreement, then this obligation shall be of no effect, but otherwise it shall remain in full force and effect.

It is a condition hereof that any change, alteration, modification or amendment of any nature whatsoever that may be made in the terms of said agreement, any change in the character or scope of the work to be performed, or the method of performance, under said agreement or modification of said agreement or in the time for completion thereof, any change in the manner, time or amount of payment as provided therein, any change of any nature whatsoever that may be made in the terms of the contract between the said Obligees and the Owner or any change that may be made in the terms performance of the work under said agreement by the Principal, assented to by the Obligees, whether made under express agreement or not, may be made without notice to the Surety and without requiring the consent of the Surety. No such change or changes shall release the Surety from any of its obligations hereunder, and the Surety's obligations as well as the penal sum of this bond shall be increased and/or expanded consistent with any such change or changes, the Surety hereby consenting to and waiving notice of any such change, alteration, modification or amendment.

Subject to the priority of the named Obligees with respect to recovery up to the penal sum of this bond, persons who have supplied or furnished labor, material, machinery, equipment or supplies to the Principal for use in the prosecution of the work provided for in said contract shall have a direct right of action against said Principal and Surety under this bond.

IN WITNESS WHEREOF, the said Principal and Surety have hereunto set their hands and seals, this

_____ day of _____, _____.

Principal

By: _____

Title: _____

Surety

By: _____

Title: _____