

INSURANCE ADDENDUM

Re: Additional Insured Requirement

Dear Subcontractor:

Please read this letter carefully. The information contained in this letter will affect whether or not you may enter into a contract with us and may affect your receipt of prompt payment.

Should your bid succeed, our contract requires that you return to us a signed contract and Certificate of Insurance showing commercial general liability, business auto liability and employers liability insurance. Plus, our contract requires that you provide a copy of any endorsement issued by your insurance company naming us as an additional insured. We must receive these before you begin work or provide services on the project.

Your policies also should:

- Include at least \$1,000,000 limits of commercial general liability, business auto liability and employer's liability.
- Be issued by an insurance carrier that maintains an A.M. Best's Rating of "A-" or better, is duly admitted in the State of Minnesota and is reasonably acceptable to us. (Your insurance agent can advise you about ratings on insurance companies).

Your commercial general liability policy should:

- Include commercial general liability aggregate limits of at least \$2,000,000 with the general aggregate limit applicable per project.
- Be an occurrence coverage form equivalent to ISO's CG 00 01 10 01.
- Include coverage for liability arising from premises-operations, independent contractors, products-completed operations, personal and advertising injury and liability assumed under an insured contract (including tort liability of another assumed in a business contract).
- Include no endorsements or modifications arising from pollution, explosion, collapse, underground property damage or work performed by subcontractors.
- Include a waiver of subrogation.
- Name us as an additional insured on a primary basis for ongoing and completed work ISO forms CG 20 10 07 04 and CG 20 37 07 04 (or using substitute forms that provide equivalent coverages).

Additionally, we require that your business will:

- Carry completed operations insurance for 5 years beyond project completion.
- Name our company as an additional insured on a primary basis on your commercial general liability insurance for 5 years beyond project completion.
- Provide at least 30 days written notice prior to cancellation or termination of your commercial general liability, business auto liability and employer's liability policies.

Please make sure you provide your insurance agent with a copy of this letter and the attached sample Certificate of Insurance. You must include all insurance costs in your bid, as you will be unable to renegotiate these costs later. Please contact me if your agent would like the names of carriers that meet these requirements and can provide these coverages.

Best regards,

INDEMNIFICATION

The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, Subcontractor shall indemnify, defend (at Subcontractor's sole expense) and hold harmless Contractor, the Owner (if different from Contractor), affiliated companies of Contractor, their partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns ("Indemnified Parties"), from and against any and all claims for bodily injury, death or damage to property, demands, damages, actions, causes of action, suits, losses, judgments, obligations and any liabilities, costs and expenses (including but not limited to investigative and repair costs, attorneys' fees and costs, and consultants' fees and costs) ("Claims") which arise or are in any way connected with the Work performed, Materials furnished, or Services provided under this Agreement by Subcontractor or its agents. These indemnity and defense obligations shall apply to any acts or omissions, negligent or willful misconduct of Subcontractor, its employees or agents, whether active or passive. Said indemnity and defense obligations shall further apply, whether or not said claims arise out of the concurrent act, omission, or negligence of the Indemnified Parties, whether active or passive. Subcontractor shall not be obligated to indemnify and defend Contractor or Owner for claims found to be due to the sole negligence or willful misconduct of Indemnified Parties.

Subcontractor's indemnification and defense obligations hereunder shall extend to Claims occurring after this Agreement is terminated as well as while it is in force, and shall continue until it is finally adjudicated that any and all actions against the Indemnified Parties for such matters which are indemnified hereunder are fully and finally barred by applicable Laws.

Subcontractor Company Name

Authorized Signature

Date

Name

Company Title

INSURANCE

Upon execution of this Agreement, and prior to the Subcontractor's commencing any work or services with regard to the Project, the Subcontractor shall carry commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing equivalent coverage) and the Subcontractor shall provide the Contractor with a Certificate of Insurance and Additional Insured Endorsement on ISO forms CG 20 10 07 04 and CG 20 37 07 04 (or substitute forms providing equivalent coverage) naming the Contractor and the Owner as Additional Insureds thereunder. Additional insured coverage shall apply as primary insurance with respect to any other insurance afforded to Owner and Contractor. The coverage available to the Contractor and Owner, as Additional Insureds, shall not be less than \$1 million dollars Each Occurrence, \$2 million General Aggregate (subject to a per project general aggregate provision applicable to the project), \$2 million Products/Completed Operations aggregate and \$1 million Personal and Advertising Injury limits. Such insurance shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability form arising from pollution, explosion, collapse, underground property damage or work performed by subcontractors. All coverage shall be placed with an insurance company duly admitted in the State of Minnesota and shall be reasonably acceptable to Contractor. All Subcontractor insurance carriers must maintain an A.M. Best rating of "A-" or better. Coverage shall be afforded to the Additional Insureds whether or not a claim is in litigation.

The insurance coverage required shall be of sufficient type, scope, and duration to ensure coverage for the Contractor or Owner for liability related to any manifestation date within the applicable statutes of limitation and/or repose which pertain to any work performed by or on behalf of the Contractor or Owner in relation to the project. Subcontractor agrees to maintain the above insurance for the benefit of Contractor and Owner for a period of five years, or the expiration of the statute of limitations pursuant to Minnesota, whichever is later.

Each Certificate of Insurance shall provide that the insurer must give the contractor at least 30 days prior written notice of cancellation and termination of the Contractor's coverage thereunder. Not less than two weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply the Contractor with a new and replacement Certificate of Insurance and Additional Insured endorsement as proof of renewal of said original policy. Said new and replacement endorsements shall be similarly endorsed in favor of contractor and owner as set forth above.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide the Contractor with a Certificate of Insurance showing liability insurance coverage for the Subcontractor and any employees, agents, or Sub-Subcontractors of the Subcontractor for any Workers' Compensation, Employer's Liability and Automobile Liability. In the event any of these policies are terminated, Certificates of Insurance showing replacement coverage shall be provided to Contractor. Coverages shall be no less than the following:

Workers' Compensation and Employer's Liability Insurance: As required by law and affording thirty (30) days written notice to Contractor prior to cancellation or non-renewal, providing coverage of not less than \$500,000 for bodily injury caused by accident and \$500,000 for bodily injury by disease.

Business Auto Liability Insurance: Written in the amount of not less than \$1,000,000 each accident.

Waiver of Subrogation: Subcontractor shall obtain from each of its insurers a waiver of subrogation on Commercial General Liability in favor of Contractor and Owner with respect to Losses arising out of or in connection with the Work.

Subcontractor Company Name

Authorized Signature

Date

Name

Company Title