

## Insurance Requirements

1. **INSURANCE COVERAGES** Subcontractor shall a) cause all required coverages to be in place, including coverage for Additional Insureds and b) provide all certificates of insurance and all endorsements for all coverages, including coverage for Additional Insureds. Insurance shall be procured from insurance companies licensed in the jurisdiction in which the Project is located and acceptable to the Contractor, which acceptance shall not be unreasonably withheld. Coverages must remain in place so long as subcontract Work is in progress. If coverages are cancelled, reduced, or expire, all Work shall cease until coverages are reinstated.
2. **SINGLE OR COMBINATION POLICIES** Commercial General Liability Insurance (CGL) and other liability insurance may be arranged under a single policy for the full limits required, or by a combination of underlying policies with the balance provided by an Excess or Umbrella Liability Policy.
3. **CANCELLATION/NON-RENEWAL** To the extent commercially available, required insurance policies shall contain a provision that the insurance company or its designee must give Contractor and any Additional Insureds written notice a) at least 20 business days before coverage is non renewed by the insurance company and b) within 10 business days after cancelation of coverage by the insurance company. Prior to commencing Subcontract Work, and upon renewal or replacement of the insurance policies, Subcontractor shall furnish Contractor with certificates of insurance and endorsements, evidencing that coverage is in place until at least one year after final payment, or longer if required by the Contract Documents. In addition, if any insurance policy required is not to be immediately replaced without lapse in coverage when it expires, exhausts its limits, or is to be cancelled, Subcontractor shall give Contractor and any Additional Insureds prompt written notice upon actual or constructive knowledge of such condition. Subcontractor's failure to provide or maintain insurance or proof thereof constitutes a material breach of this Subcontract Agreement.
4. **SETOFF** In the event Subcontractor fails to maintain any and all insurance as required by this Subcontract Agreement, Contractor may, at its option, and without waiver of other available remedies, deduct the cost of its own liability insurance for potential occurrences arising out of Subcontractor's performance of Work at or adjacent to the Project from payment otherwise due Subcontractor.
5. **CONTINUATION OF COVERAGE** Subcontractor shall continue to carry Completed Operations Liability Insurance. Coverage for Completed Operations shall be written on an occurrence basis and shall be maintained without interruption from date of commencement of Subcontractor's Work until final payment. Subcontractor agrees to maintain uninterrupted Completed Operations insurance for a minimum of six years following Substantial Completion of the Work, or the length of the statute of repose/statute of limitations in the jurisdiction where the Work is performed, whichever is longer.
6. **PROPERTY INSURANCE**
  - 6.1 Upon written request of Subcontractor, Contractor shall provide Subcontractor with a copy of the Builder's Risk Policy of insurance or any other property or equipment insurance in force for the Project and procured by Owner or Contractor.
  - 6.2 If Builder's Risk or any other property insurance is provided by others, and if the Prime Agreement provides that Owner, Contractor and Subcontractor (and its subcontractors of all tiers) waive all rights against each other, Owner, Design Professional, and any and all of their respective consultants, subcontractors, agents, and employees, for loss or damage to the extent covered by Builder's Risk or any other property or equipment insurance applicable to the equipment or Work (or to property upon or near which the Work is performed), except such rights as they may have to the proceeds of such insurance, then such waiver shall be binding on Subcontractor, who shall require similar waivers from their downstream subcontractors of all tiers.

## Insurance Requirements

6.3 Subcontractor shall be responsible for that portion of the Builder's Risk policy's deductible (or self-insured retention) which is proportionate to the loss or damage resulting from acts or omissions attributable to Subcontractor and/or its subcontractors of all tiers.

6.4 Subcontractor shall procure and maintain, at Subcontractor's own expense, property and equipment insurance for portions of the Subcontract Work stored off-site or while in transit and waives any claim for damage to such property or equipment whether or not caused by the negligence of Contractor and Owner or their agents.

6.5 It shall be the obligation of Subcontract to purchase and maintain any property insurance that it deems necessary to protect its interest in the Work and in its own or rented equipment.

**7. PREMIUMS/DEDUCTIBLES Contractor**, Owner, or any other Additional Insured shall not be responsible for payment of any insurance premiums or deductibles for insurance procured by Subcontractor under this Subcontract Agreement.

**8. INSURED V. INSURED EXCLUSIONS Insured** v. Insured exclusions are not allowed. Named Insured v. Named Insured exclusions are allowed.

**9. CERTIFICATES OF LIABILITY MUST:**

9.1 Include the name and location of the Project.

9.2 List Contractor, Owner, and Additional Insureds per the endorsements CG2010 0704 and CG2037 0704, or equivalent.

9.3 Include Primary and Non-Contributory coverage, with respect to General Liability, Automobile, and Umbrella coverages.

**10.** The following information, which is specific to the Project of this Subcontract, shall be listed on the Certificate of Liability Insurance.

Project Name:

Address:

City, State, Zip:

Certificate Holder and Additional Insured:     **TRICO Companies, LLC**  
Address:     **15066 Josh Wilson Road**  
City, State:     **Burlington, WA 98233**

Additional Insured: Owner

**11. TYPES AND LIMITS OF INSURANCE REQUIRED:** The following coverages are required of Subcontractor, or, if higher, those limits set out in the Prime Agreement between Owner and Contractor.

**11.1 Workers Compensation**

|           |  |
|-----------|--|
| Statutory |  |
|-----------|--|

**11.2 Employers Liability** (Washington State Stop Gap Coverage) For any work performed in the State of Washington, Subcontractor agrees it will procure Stop Gap coverage which insures all insureds (Including Additional Insureds) for liability arising out of bodily injury to Subcontractor's employees.

|                                     |             |
|-------------------------------------|-------------|
| Minimum each accident each employee | \$1,000,000 |
|-------------------------------------|-------------|

## Insurance Requirements

**11.3 Commercial General Liability** (must be written on occurrence basis) Such insurance shall be “occurrence-based” and shall include contractual liability coverage applicable to the indemnity provisions of this Subcontract and “completed operations” coverage, both for itself and for Additional Insureds as defined above.

|   |             |
|---|-------------|
| Each Occurrence                             | \$1,000,000 |
| Products and Completed Operations           | \$2,000,000 |
| Personal and Advertising Injury Liability   | \$1,000,000 |
| General Aggregate                           | \$2,000,000 |
| Contractual Liability                       | Included    |
| Explosion, Collapse and Underground Hazards | Included    |

**11.4 Automobile Liability** (including owned, hired, and non-owned autos)

|                       |             |
|-----------------------|-------------|
| Combined Single Limit | \$1,000,000 |
|-----------------------|-------------|

**11.5 Umbrella or Excess Liability**

|                                     |             |
|-------------------------------------|-------------|
| Per Occurrence and Annual Aggregate | \$1,000,000 |
|-------------------------------------|-------------|

**11.6 Professional Liability** If the Work requires Subcontractor to perform any professional services, including but not limited to any design or construction management services, Subcontractor shall obtain Professional Liability Insurance coverage with limits of not less than those shown below. The professional liability insurance shall contain prior acts coverage sufficient to cover all subcontract services rendered by the design professional. If such insurance is written on a “claims made” basis, the retroactive date shall be prior to the start of any professional work performed, whether work was performed before a Subcontract was signed. Subcontractor agrees to maintain such coverage for six years after Owner’s final acceptance of the Project, or the length of the statute of repose/limitations in the jurisdiction where the Work is performed, whichever is longer. Renewal policies during the period shall maintain the same retroactive date.

|                                 |             |
|---------------------------------|-------------|
| Minimum Claims Made Limit       | \$2,000,000 |
| Minimum Annual Aggregate Limit  | \$2,000,000 |
| Maximum Deductible or Retention | \$10,000    |

## 12. ADDITIONAL INSURED REQUIREMENTS

**12.1 Additional Insured Coverage is Supplemental to Indemnity Obligations.** Contractor and Subcontractor have agreed by a separate indemnity provision that Subcontractor will provide certain indemnity to Contractor and Owner. Contractor and Subcontractor hereby both agree that the protection afforded under

## Insurance Requirements

the indemnity provision of this Subcontract will be supplemented by providing that Subcontractor will procure coverage from its own primary and excess insurers which directly insures Contractor, Owner, and their affiliates, principals, officers, directors and managers (hereinafter "Additional Insureds") from certain liabilities as more specifically described below which will be primary and non-contributory to all insurance carried by Additional Insureds. Solely for purposes of the procurement agreement made herein by Subcontractor in favor of all Additional Insureds, Contractor shall be regarded as agent for such Additional Insureds.

**12.2 Subcontractor agrees to procure insurance in which causation, not negligence is the touchstone of Additional Insured protection.** Owner and Contractor expressly agree that it is their mutual intent that causation, not negligence, be the trigger of such additional insured protection, and that Subcontractor will procure such additional insured protection as will protect all Additional Insureds from liability for Bodily Injury, Property Damage, Personal Injury or Advertising Injury (all as defined in standard primary and excess liability insurance forms and endorsements) occurring during ongoing operations and during the Products/Completed Operations Hazard (as defined in Subcontractor's insurance) unless such bodily injury or property damage would not have occurred in the absence of the performance of Subcontractor's Work.

**12.3 Intent.** In reaching this agreement, Contractor and Subcontractor intend that the additional insured coverage procured by Subcontractor will be sufficient to provide all Additional Insureds a defense to conceivably covered claims of bodily injury or property damage/loss of use/Advertising Injury or Personal Injury (all as defined in Subcontractor's insurance) unless no potential exists that such claims might be later judicially determined to be covered. Contractor and Subcontractor further intend that coverage for liabilities insured under Subcontractor's policies be provided to Additional Insureds where operational acts or omissions of Subcontractor and/or its employees (including any claimant or plaintiff), whether or not negligent, had any "but for" causative role in causing the covered (or potentially covered) accident or offense, whether or not acts or omissions of Contractor, other subcontractors, or Owner or their employees, agents or representatives also had a causative role.

**12.4 Specific Requirements.** Subcontractor agrees to provide insurance, evidenced by endorsements to Subcontractor's policy, that: (1) as to all primary and excess insurance carried by Subcontractor, Additional Insureds as defined above are additional insureds without qualification, limitation, or reservation, for any and all liability for bodily injury, property damage, "Personal Injury" and "Advertising Injury" as defined in standard insurance form CG 0001, arising in whole or in part out of Subcontractor's work, including completed operations losses; (2) does not contain a "cross liability" or similar exclusion that would bar coverage for claims between or among insureds; (3) provides that general liability and any excess insurance carried by Subcontractor shall be primary with respect to other primary or excess general liability insurance under which Additional Insureds are insured as a named insured, additional insured, or otherwise, and any other primary or excess insurance covering Additional Insureds shall be excess and not contributing insurance with Subcontractor's insurance; (4) contains a waiver of subrogation against Additional Insureds; (5) contains an ISO separation of insureds provision in favor of Additional Insureds; (6) as to all required coverages, provides Additional Insureds with insurance coverage for defending and indemnifying Additional Insureds from and against any liability or claim of liability for bodily injury, property damage, Advertising Injury and Personal injury (all as defined in the policy) arising out of, or in any way related to, the Work, including preparation to perform the Work; (7) does not contain any provision allowing the insurer to seek reimbursement of the costs of defense or settlement from Additional Insureds whether or not the insurer ultimately determines there is no coverage; (8) does not require Additional Insureds to consent to waive conflicts of interest to permit defense by the same attorney appointed to defend Subcontractor in any proceeding; (9) does not exclude any portion of indemnity representing or reflecting any alleged or actual contributing negligent or causative acts or omissions committed by any Additional Insureds; (10) Does not contain any exclusion for bodily injury or death to/of any worker injured or killed in an accident arising in whole or in part out of Subcontractor's work; and (11) does not impair the right of any Additional Insured to

## Insurance Requirements

selectively tender to Subcontractor's insurer whether or not any Additional Insured may also be an additional insured under policies of other subcontractors.

12.5 Allocation. In instances where Subcontractor and any Additional Insureds are Named Insureds of the same insurer or affiliated group of insurers, Subcontractor agrees to instruct its insurer to allocate indemnity payments made on behalf of any such Additional Insureds exclusively to Subcontractor's policies, in accordance with the primary and non-contributory requirements contained within this paragraph.

12.6 Endorsed exclusions must be disclosed and authorized. Subcontractor agrees it will not procure insurance which contains any endorsements which may limit the coverage afforded Subcontractor or additional insureds under standard form CG 0001 as required hereunder without express written consent of Contractor before Work under the Subcontract begins.

12.7 "As Required by Written Contract" Coverage. Subcontractor agrees to procure a form of additional insured endorsement containing the language "as required by written contract", and without any language which would provide that any other endorsements or language in the policy modify the protections afforded Additional Insureds under the additional insured endorsement to provide coverage less than that required by this subcontract.

12.8 Coverage for Additional Insureds must include all benefits conferred on Named Insured. It is an express requirement of this subcontract that the insurance provided to Additional Insureds under all policies carried by Subcontractor extend no less than the same benefits, limits and favorable terms/coverages to all Additional Insureds as is provided to the Named Insureds under such policies.

12.9 Indemnity Coverage. The coverage procured by Subcontractor must agree to pay those sums the insured becomes legally obligated to pay because of bodily injury, property damage, Advertising Injury or Personal Injury (all as defined in Subcontractor's insurance) whether or not suit or arbitration has been filed against Additional Insureds hereunder.

12.10 Policy Must be Furnished. Upon Contractor's written request any time before, during or after Subcontractor completes its operations, Subcontractor shall furnish a complete copy of insurance procured pursuant to the provisions of this Subcontract Agreement, including all relevant policy declarations.

12.11 Limit on amount of deductible or self-insured retention. Additional insured insurance shall not be subject to a deductible or self-insured retention exceeding \$10,000 without Contractor's prior written approval. In the event Subcontractor fails to pay any deductible or satisfy self-insured retention upon Contractor's demand, Subcontractor authorizes Contractor to deduct from any payment otherwise due under Subcontract, or any retainage withheld under Subcontract, an amount necessary to pay or satisfy the deductible or self-insured retention. In the event subcontractor's policy requires Subcontractor and only Subcontractor to pay the deductible or self-insured retention, subcontractor agrees it will do so, and further agrees the remedy of all Additional Insureds shall include specific performance.

12.12 No limit on defense costs or investigation costs. Subcontractor agrees that it will procure insurance required under this Subcontract Agreement such that the Limits of Insurance for Named Insured and Additional Insured coverage will not be depleted by defense or investigation expenses, absent written permission from Contractor prior to commencement of Subcontractor's work on the job.

12.13 No representation concerning adequacy of limits. Contractor makes no representations that the coverages or required minimum amount of insurance is adequate to protect Subcontractor or its subcontractors of any tier. Neither procuring nor carrying insurance shall limit Subcontractor's obligation or liability pursuant to this Subcontract or as a matter of law.