

TNW PROJECT #

EXHIBIT A -- INSURANCE REQUIREMENTS

Prior to commencement of any work under the Contract, the Subcontractor and each and every Sub-subcontractor of the Subcontractor shall, at its sole expense, maintain the following insurance on its own behalf, with an insurance company or companies lawfully authorized to do business on an admitted basis in the jurisdiction in which the work is located and having an A.M. Best Rating of "A-: Class VII" or better, and furnish to the Contractor Certificates of Insurance evidencing same. In addition, Subcontractor is required to forward these Insurance Requirements to the Subcontractor's Insurance Agent / Broker for their review and approval.

The term "Subcontractor & Sub-subcontractor" as used in these Insurance Requirements shall mean and include Subcontractors and Sub-Subcontractors of every tier.

1. **Workers' Compensation and Employers Liability:** in the State in which the work is to be performed and elsewhere as may be required and shall include, where applicable, U.S. Longshoremen's and Harbor Workers' Coverage.
  - a) Workers' Compensation Coverage: Statutory Requirements
  - b) Employers Liability Limits not less than:
 

Bodily Injury by Accident:	\$100,000 Each Accident
Bodily Injury by Disease:	\$100,000 Each Employee
Bodily Injury by Disease:	\$500,000 Policy Limit
  - c) Including Waiver of Right to Recover from Others Endorsement (WC 00 0313) where permitted by state law, naming General Contractor, Construction Manager, Prime Contractor, Owner, Architect, Engineer, Partner and/or Joint Venture.
  
2. **Commercial General Liability:** (including Premises - Operations, Independent Contractors, Products/Completed Operations, Personal Injury, Broad Form Property Damage, Contractual Liability (including Liability for Employee Injury assumed under a Contract), and Explosion, Collapse and Underground Coverages).
  - a) Occurrence Form with the following limits:
 

(1) General Aggregate:	\$2,000,000
(2) Products/Completed Operations Aggregate:	\$1,000,000
(3) Each Occurrence:	\$1,000,000
(4) Personal and Advertising Injury:	\$1,000,000
(5) Fire Damage (any one fire):	\$ 50,000
(6) Medical Expense (any one person):	\$ 5,000
  - b) Products/Completed Operations Coverage must be maintained for a period of at least two (2) years after final payment.
  - c) The General Aggregate Limit must apply on a Per Project basis.
  - d) Contractual Liability (including Liability for Employee Injury assumed under a Contract) provided by the Standard ISO Policy Form CG 00, 01. Policy does NOT include the restrictive Endorsement CG 24 26 (Amendment of Insured Contract Definition) or any other provision excluding coverage for the Contractor's Sole Negligence which has been assumed by Contract.
  - e) Coverage for Mold/Fungus (no Mold/Fungus exclusion) or, in the alternative, and upon review and approval by Contractor, coverage for Mold/Fungus can be provided by a Contractor's Pollution Liability Policy.
  - f) Snow Plow Coverage Endorsement CG 22 92 shall be included where applicable.

- g) No Exterior Insulated Finishing System (“EIFS”) or similar exterior wall system exclusion (if applicable under the scope of services of this Contract).
  - h) Endorsement amending the Definition of Occurrence regarding Faulty Workmanship – “Notwithstanding any contrary law or decision, ‘property damage’ to ‘your work’ or resulting ‘property damage’ caused by ‘your work’ or ‘your product’ will be deemed to be caused by an ‘occurrence’ but only if the ‘property damage’ is unexpected and unintended from the standpoint of the insured. However, with regard to ‘property damage’ to ‘your work’ include within the ‘products-completed operations hazard’, such ‘property damage’ will only be deemed to be caused by an ‘occurrence’ if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.
3. **Automobile Liability:**
- a) Coverage to include:
    - (1) All Owned, Hired and Non-Owned Vehicles (Any Auto)
    - (2) Contractual Liability Coverage (including Liability for Employee Injury assumed under a Contract),
  - b) Per Accident Combined Single Limit \$ 1,000,000
4. **Commercial Umbrella Liability:**
- a) Occurrence Limit: \$10,000,000
  - b) Aggregate Limit (where applicable): \$10,000,000
  - c) Policy to apply excess of the Commercial General Liability (following form Per Project Aggregate Limit), Commercial Automobile Liability and Employers Liability Coverages.
5. **Property Insurance:** Builder’s Risk insurance is provided by the owner. The deductible per incident is the responsibility of the Subcontractor. The party causing the loss shall be responsible for the deductible which shall be paid directly to the insurance provider, or shall be a deduct change order to the responsible party.
- Subcontractor is responsible for any damage to their work, materials, equipment, tools, etc. It is the responsibility of the Subcontractor to determine if any Property or Builder’s Risk coverage provided by others is adequate to protect the subcontractor. In the event that Subcontractor determines that said coverage is inadequate, Subcontractor may obtain such insurance at Subcontractor’s sole expense.
- In addition, the Subcontractor waives all rights of recovery and shall cause its Insurers to waive their rights of subrogation against Contractor, General Contractor, Construction Manager, Prime Contractor, Owner, all the Additional Insureds and any of their agents and employees for damages caused by fire other causes of loss to the extent covered by property insurance applicable to the Work or any other type of property insurance (such as Contractor’s Equipment, Installation Floater) maintained by Subcontractor.
6. **Professional Liability Coverage:** Subcontractor shall maintain insurance covering losses caused by Professional Design Work that arise from the operations described under the scope of services of this Contract.
- a) Per Claim/Aggregate Limit \$1,000,000/\$1,000,000
  - b) If coverage is written on an Occurrence Basis, coverage must be maintained for a period of at least two (2) years after final payment.
  - c) If coverage is written on a Claims-made basis, the Subcontractor warrants that any retroactive date applicable to coverage precedes the effective date of this Contract (including any Design Work for this Contract); and that continuous coverage will be maintained for a period of at least four (4) years after final payment to provide two (2) years of completed operations coverage and an additional two (2) years to report claims that are made.

- 
7. **Contractors Pollution Liability Coverage:** Subcontractor shall maintain insurance covering losses caused by Pollution Conditions that arise from the operations described under the scope of services of This Contract.
- a) Per Claim / Aggregate Limit \$1,000,000 / \$1,000,000
  - b) Coverage for Mold/Fungus included
  - c) If coverage is written on an Occurrence bases, coverage must be maintained for a period of at least two (2) years after final payment
  - d) If coverage is written on a Claims-made basis, the Subcontractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of this Contract (including any Design Work for this Contract); and that continuous coverage will be maintained or an Extended Discovery Period will be purchased for a period of two (2) years beginning when the work under the contract is completed.
8. **Aircraft (including Drones)/Watercraft Liability Coverage:**
- a) Per Occurrence Limit: \$1,000,000
  - b) Coverage to provide for losses that arise from the operations of any owned, Hired and Non-Owned Aircraft or Watercraft under the scope of services of this Contract
  - c) Subcontractor certifies the operation of unmanned aircraft will comply with all Federal Aviation Administration (FAA), state and local regulations or laws including operator credentialing, scope of permitted drone operations, drone registration and safe operating procedures.
  - d) Coverage to provide for losses that arise from the operations of any owned, Hire and Non-Owned Aircraft or Watercraft under the scope of services of this contract.
9. **Cyber Liability Coverage:** Contractor shall maintain insurance with a \$1,000,000 per Claim/Aggregate Limit covering losses for Information Security and Privacy Liability and include Contractor and Owner (including their agents, employees, representatives, officers, directors, stockholders, members, managers, and parent, subsidiary, affiliated and successor companies) as an Additional Insured for liability arising out of Contractor's acts or omissions.
- a) This policy shall also include coverage for Cyber Incident Response Expense, Data Restoration Expense, Cyber Extortion Expense and Regulatory Defense & Regulatory Fines and Penalties Coverage
10. **Deductibles or Self-Insured Retentions:** With the exception of Workers Compensation and Employers Liability, none of the policies of insurance required of the subcontractor by this agreement shall contain deductibles or self-insured retentions in excess of \$10,000, unless agreed to in writing by the Contractor.
11. **Financial Rating of Insurance Companies:**
- a) A.M. Best Rating: A- (Excellent) or Higher
  - b) A.M. Best Financial Size Category: Class VII or Higher
  - c) Insurance Companies lawfully authorized to do business on an admitted basis in the jurisdiction in which the work is located
12. **Additional Insureds:** To the fullest extent permitted by law, Contractor, Owner and any other party whom the Contractor is required to provide Additional Insured Coverage in their Contract (including their agents, employees, representatives, officers, directors, stockholders, members, managers, and parent, subsidiary, affiliated and successor companies) shall be added/included as Additional Insureds even for claims regarding their sole negligence on the above General Liability coverage (by the use of ISO Additional Insured Endorsements CG 2010 10 01, CG 2037 10 01 and CG 2032 07 98) and the Umbrella Liability and Pollution coverages described above. In the event the above ISO Additional Insured

Endorsements are not available from Subcontractor's insurance carrier, Subcontractor may substitute other endorsements which achieve the same effective coverage and attach a copy of the endorsement with Subcontractors Certificate of Insurance. The coverage offered to the ADDITIONAL INSUREDS on Subcontractor's liability policy shall be primary coverage to any other coverage maintained by the ADDITIONAL INSUREDS and shall not permit or require such other coverage to contribute to the payment of any loss. In addition, the ADDITIONAL INSUREDS shall also be provided the same Completed Operations Coverage detailed under the Commercial General Liability Coverage Requirements. Subcontractor agrees, for the purpose of additional insured coverage only, that the work is being performed for all ADDITIONAL INSUREDS identified above and that this Agreement is an agreement between Subcontractor and all ADDITIONAL INSUREDS to provide additional insured coverage. Notwithstanding anything to the contrary in the Agreement or in the insurance requirements outlined above, if the Subcontractor has procured any insurance coverage and/or limits (either on a primary or excess basis) that exceed the minimum acceptable coverage specifications and/or limits set forth in the insurance requirements above, the specified coverage and limits listed within the insurance requirements shall increase to the full extent of the coverage and limits of liability obtained under the policy, and in no event shall the coverage and/or limits provided be less than the minimum insurance requirements outlined above.

#### **SCHEDULE OF ADDITIONAL INDEMNIFIED/INSURED PARTIES**

TN Ward Company and

13. It is agreed the Subcontractor's and Sub-Subcontractor's insurance will be not be canceled, materially changed or non-renewed without at least thirty (30) days advance written notice to T. N. Ward Company, 129 Coulter Avenue, Ardmore, PA 19003, by Certified Mail - Return Receipt Requested".
14. Any type of insurance or any increase in limits of liability not described above which the Subcontractor requires for its own protection or on account of statute shall be its own responsibility and at its own expense.
15. **Waiver of Recovery / Subrogation:** The Subcontractor waives all rights of recovery and shall cause its insurers to waive their rights of subrogation against Contractor, Owner, all the Additional Insureds and any of their agents and employees for loss or damage covered by any of the insurance maintained by the Subcontractor pursuant to this agreement or otherwise.
16. The amount of insurance provided in the aforementioned insurance coverages, shall not be construed to be a limitation of the liability on the part of the Subcontractor or any of their Sub-subcontractors. The carrying of insurance described shall in no way be interpreted as relieving the Subcontractor of any responsibility or liability under the Contract.
17. Prior to the commencement of work and/or payment, the Subcontractor and Sub-subcontractor shall file Certificates of Insurance with Contractor showing the policies, limits, and coverages required under these provisions. Furthermore, Subcontractor shall provide an updated Certificate of Insurance for Contractor upon request. Such Certificates of Insurance should be mailed within five days of the receipt of these insurance requirements to T. N. Ward Company, 129 Coulter Avenue, Ardmore, PA 19003, regardless of when your work will start. Project description and Job Number must be shown on the Certificate of Insurance. Subcontractor's obligation to provide the insurance set forth herein shall not be waived by any failure to provide a Certificate of Insurance, Contractor's acceptance of, or failure to object to, a Certificate of Insurance showing coverage varying from these requirements or by Contractor's direction to commence work. Any work performed without furnishing a Certificate of Insurance is at Subcontractor's sole risk.

In the event of a failure of Subcontractor to furnish and maintain said insurance and to furnish satisfactory evidence thereof, the Contractor shall have the right (but not the obligation) to take out and maintain such

insurance as specified above as will protect the Contractor. Subcontractor agrees to furnish all necessary information therefore and to pay the cost thereof to the Contractor immediately upon presentation of an invoice.

18. In the event that Subcontractor enters the worksite or delivers or has delivered materials or equipment to the worksite without having first fully executed this Agreement, these Insurance Requirements and the Indemnification Provision set forth in Section 18, below, shall be deemed executed at the time of first entry to the worksite as if a duly authorized representative of Subcontractor executed the same by affixing a signature hereto.
19. ***Indemnification:*** To the fullest extent permitted by law, Subcontractor agrees to indemnify, hold harmless and defend TN Ward Company, Owner and Owner's lender, Architect, Engineer, Partner and Joint Venture and their agents, employees, representatives, partners, officers, directors, stockholders, members, managers and parent, subsidiary, affiliated and successor companies and any entity or individual listed on the attached Schedule of Additional Indemnified/Insured Parties (individually or collectively, the "Indemnified Parties") from and against any and all liability for loss, damage, expense, privacy liability, business income loss or data loss for which the Indemnified Parties may be held liable or incur by reason of injury or harm (including death) to any person (including Subcontractor's employees) or damage to the work or any property of whatsoever kind or nature or as a result of any improper use or disclosure of Personally Identifiable Information, Personal Health Information, or Confidential Corporate Information; Personal Injury/Advertising Injury; Patent Infringement; Economic Loss; Fines/Penalties arising out of or in any manner connected with the work for the Indemnified Parties (including but not limited to, work under this Contract, work under Change Order, or any such other work for or on behalf of the Indemnified parties, whether at the site or not or in any way connected with the use, misuse, erection, maintenance, operation or failure of any machinery or equipment whether or not such machinery or equipment was furnished, rented, or loaned by any of the Indemnified Parties) even for, and if caused in whole or in part by, any act, omission, negligence, or strict liability of the Indemnified Parties. It is expressly understood and agreed that the indemnify and defense contained in this paragraph covers claims by Subcontractor's employees and that Subcontractor expressly waives any immunity and defense to this indemnification obligation which may arise under the Workers Compensation Act of any State. In addition, Subcontractor shall defend the Indemnified Parties against any claim which may potentially give rise to indemnification of the Indemnified Parties, even if such claim alleges that the Indemnified Parties are wholly or partially at fault or strictly liable for causing the loss. If indemnification for the Indemnified Parties' negligence is expressly prohibited by law or not extended to the Indemnified Parties for any reason, a defense of the Indemnified Parties shall be provided until it is conclusively established by a court of competent jurisdiction that: 1) the Indemnified Parties are solely liable for causing the loss, damage, or expense alleged; and 2) that neither Subcontractor, nor its employees, nor anyone for whom Subcontractor may be liable, is liable for causing any part of the loss, damage, or expense for which defense and indemnification is sought.

Subcontractor and TN Ward Company further agree that the Laws of the Commonwealth of Pennsylvania shall apply to the construction and application of the Indemnification and Hold Harmless agreements set forth above. If any provision herein is found by a court to be invalid or unenforceable for any reason, such provision shall be construed and/or reduced or reformulated by the court in such a way as to make it valid and enforceable to the maximum extent possible. Any invalidity or unenforceability of any provision shall attach only to such provision and shall not affect or render invalid or unenforceable any other provisions herein, shall not constitute a waiver of any common-law indemnification rights, or render invalid or unenforceable any other portion of the Subcontractor Agreement.

20. If there are any damages or claims of any kind or nature unsettled when the work is finished, the final payment by TN Ward Company shall be deferred until all such claims shall have been adjusted or

suitable coverage or indemnify acceptable to TN Ward Company is provided by Subcontractor or Subcontractor's insurance carrier.

21. The obligations of the Subcontractor to maintain Insurance, provide Indemnification and provide a Waiver of Recovery/Subrogation shall survive any termination of this Agreement or the suspension, completion and/or acceptance of the Work or any part thereof, or final payment to Subcontractor, it being agreed that such rights and obligations are and shall be of a continuing nature and effect.
22. In the event that Subcontractor is requested but refuses to honor its indemnity obligations hereunder or Subcontractor's insurer refuses to honor its insurance obligations hereunder, then Subcontractor shall, in addition to its other obligations, pay the cost of bringing any action to enforce Subcontractor's indemnity obligations or Subcontractor's insurance company's obligations, including without limitation, attorneys' fees and consultants' fees, expenses and court costs to the party requesting indemnity or insurance coverage.
23. Subcontractor shall indemnify, hold harmless and defend the Owner, Architect, Project Manager and the Consultants, Administrators, Officers and Employees to the same extent the contractor is bound by the contract documents.
24. Use of Data, Data Safeguards, and Breach Notification: Subcontractor shall not have access or use of any Contractor Data except as set forth in the Contract or to the extent necessary to perform work under the Contract. Subcontractor shall not disclose any Contractor Data to any third party without Contractor's prior written consent and the third party's written agreement to safeguard such Data. Subcontractor shall (a) establish and maintain appropriate administrative, physical, and technical safeguards to prevent: (i) the destruction, loss, or alteration of Contractor Data; and (ii) the unauthorized access to, or use or disclosure of, such data; and (b) establish and maintain network and internet security procedures, protocols, security gateways and firewalls with respect to such data in accordance with good industry practice. Subcontractor shall notify Contractor promptly upon its becoming aware of a "Security Breach" consisting of: (a) any unauthorized possession, use, or knowledge of Contractor Data by any person, (b) any attempt by any person to gain possession of Contractor Data without authorization, or (c) any attempt to use or acquire knowledge of any Contractor Data without authorization. In the event of a Security Breach or reasonably likely Security Breach, Subcontractor shall notify Contractor within two (2) Business Days following discovery or notification of such actual or likely Security Breach. If such actual or likely Security Breach was due to Subcontractor's or Subcontractor personnel's acts or omissions, Subcontractor shall (a) investigate and promptly remediate the effects of the actual or likely Security Breach, (b) promptly furnish to the Contractor full details that Subcontractor has or may obtain regarding such Security Breach and use reasonable efforts to assist Contractor in investigating and preventing its reoccurrence, and (c) cooperate with Contractor in any litigation and investigation against third party deemed reasonably necessary by Contractor to protect its proprietary rights.

Should you have any questions, please do not hesitate to contact Mark W. Smith, Vice President / Finance at (610) 649-0400 or our insurance agent, The Graham Company, The Graham Building, One Penn Square West, Philadelphia, PA 19103, (215) 567-6300.

**ACCEPTED BY:**

**BY:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

DATE: \_\_\_\_\_

SAMPLE