



2206 O'Day Road | Pearland Texas, 77581 | Office: 281.485.4700 | Fax: 281.485.7722

---

## INSURANCE REQUIREMENTS

The Insurance Requirements stated herein, including types of coverage and amounts are the minimum insurance requirements. In the event that Triad Retail Construction, Inc. is required to provide more extensive coverage than set forth in here, then the higher limits required of Triad Retail Construction, Inc. shall modify these requirements such that the Subcontractor's Insurance is at least co-extensive with that required of Triad Retail Construction, Inc.

### A.1 GENERAL INSURANCE REQUIREMENTS

- A.1.1 **Additional Insured.** Triad Retail Construction, Inc. ("Contractor" or "Buyer") and the Owner of the project shall be added as an Additional Insured on General, Auto, and all other liability policies carried and maintained by Subcontractor (sometimes referred to as "Seller") excepting Workers' Compensation. The endorsement form shall be at least as broad as CG 20 26 1185. The Additional Insured endorsements on General Liability and Umbrella must include ongoing and completed operations (CG 20 10 1185 or equivalent).
- A.1.2 **Primary Liability.** All liability policies carried and maintained by Subcontractor must be endorsed to be primary and non-contributory with any liability insurance policies carried by Contractor or Owner with respect to Subcontractor's operations hereunder.
- A.1.3 **Waivers of Subrogation.** Waivers of Subrogation shall be provided in favor of Contractor and Owner on General, Auto Liability, Workers' Compensation, and all other liability policies carried and maintained by Subcontractor on a form at least as broad as CG 24 04 [Ed. 11-85].

- A.1.4 None of the requirements contained herein as to types, limits or Contractor's approval of insurance coverage to be maintained by Subcontractor are intended to and shall not in any manner limit, qualify or quantify the liabilities and obligations assumed by Subcontractor under this Contract or otherwise provided by law.
- A.1.5 **Occurrence Basis.** All such policies shall be written on an Occurrence (not Claims Made) basis.
- A.1.6 **Rating and Form.** Subcontractor's insurance coverage must be written with insurance companies licensed to do business in the state in which the project is located and rated no less than A:VII as shown in the most current issue of A. M. Best's Key Rating Guide, and under forms of policies satisfactory to Contractor.
- A.1.7 In the event of any failure by Subcontractor to comply with these provisions, Contractor may, without in any way compromising or waiving any right or remedy at law or in equity, on notice to Subcontractor, purchase such insurance, at Subcontractor's expense, provided that Contractor shall have no obligation to do so and if Contractor shall do so, Subcontractor shall not be relieved of or excused from the obligation to obtain and maintain such insurance amounts and coverages.
- A.1.8 **Deductible:** Subcontractor shall be responsible for all deductibles specified in any policy of insurance provided hereunder.
- A.1.9 **Sub-Subcontractors:** Subcontractor shall require the same minimum insurance requirements from all of its subcontractors.
- A.1.10 **Builder's Risk:** Owner or Contractor may provide Builder's Risk insurance for an entire Project, insuring against all risks of direct physical loss or damage to materials, equipment, machinery and other property incorporated in the Project, SUBJECT TO policy exclusions and deductibles. Builder's Risk will not provide coverage for tools, equipment or other items which Subcontractor uses in connection with the Work and which are not intended to become a permanent part of the Work. Subcontractor shall waive its right of subrogation against an Owner and Contractor for damage caused by fire or other perils. If Subcontractor makes a claim on the Builder's Risk policy, Subcontractor shall pay its pro rata share of the policy's deductible amount, up to and including one hundred percent, if applicable.

## A.2 EVIDENCE OF INSURANCE

Evidence of the insurance coverage required shall be maintained by the Subcontractor, represented by Certificates of Insurance approved by the State in which the project is located, when applicable, issued by the insurance carrier or its legal agent, and must be furnished to the Contractor prior to Subcontractor commencing the Work and not later than fifteen (15) days after receipt of the Contract/Purchase Order/Work Authorization. New Certificates of Insurance shall be provided to Contractor prior to the current certificate(s) coverage termination date if prior to completion of the Work. Lapsed coverage of insurance is an Act of Default under the Contract/Purchase Order/Work Authorization. Each applicable policy shall be endorsed where appropriate to provide the following and the Certificates of Insurance shall specify:

- A.2.1 Contractor and Owner as a Certificate Holder with correct mailing address;
- A.2.2 Insured's name, which must match that on the Contract;
- A.2.3 Companies affording each coverage, policy dates of each coverage, all coverages and limits described herein, and signature of authorized representative of insurance company;
- A.2.4 Producer of the Certificate with correct address, phone, and fax listed;
- A.2.5 Certificate Holder has been named as an Additional Insured with respect to the Commercial General, Auto Liability, and all other liability policies described herein;
- A.2.6 The Commercial General and Auto Liability policies described are primary respect to the Additional Insured;
- A.2.7 Waivers of Subrogation in favor of Certificate Holder on Commercial General, Auto Liability, and Workers' Compensation policies;
- A.2.8 The Commercial General and Auto Liability policies described provide the severability of interest (gross liability) provision applicable to the named Insured and the Certificate Holder;

A.2.9 All Applicable Workers' Compensation classifications will be listed on Subcontractor's policy; and

A.2.10 The Certificate Holders will be notified in writing (30) days prior to the cancellation of or reduction in coverage, or intent not to renew coverage, and elimination of "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" from the cancellation provision.

A.2.11 In the event Subcontractor utilizes leased employees, Subcontractor's certificate of insurance shall note the leasing company as providing workers compensation insurance. In addition, leasing company shall provide a certificate of insurance showing Subcontractor as alternate employer under alternate employer endorsement and listing coverage and limits for workers compensation insurance complying with the requirements stated herein.

## **MINIMUM LIMITS**

### **TYPE OF INSURANCE LIMITS**

#### **WORKERS' COMPENSATION/EMPLOYER'S LIABILITY**

**A. Workers' Compensation**

Meet Statutory Requirement (but no less than \$500,000)

**B. Employer's Liability**

Each Accident	\$1,000,000
Disease - Policy Limit	\$1,000,000
Disease - Each Employee	\$1,000,000

#### **COMMERCIAL GENERAL LIABILITY (Occurrence Form CG 00011093 or equiv.)**

**Including:**

Aggregate Limits Per Project/Work Authorization

Broad Form Property Damage

Contractor's Protective  
 Contractual Liability  
 Explosion, Collapse, and Underground Hazard  
 Fire Damage  
 Medical Expense  
 Personal & Advertising Injury  
 Products/Completed Operations Aggregate<sup>1</sup>

**Required Minimum Limits are:**

General Aggregate (per project/Work Authorization)	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal & Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Fire Damage (any one fire)	\$ 100,000
Medical Expense (any one person)	\$ 5,000

**AUTOMOBILE LIABILITY**

**Including:**

Combined Single Limit	\$1,000,000
Owned	
Hired	
Non-Owned	

**UMBRELLA LIABILITY** Combined Single Limit \$1,000,000

**PROFESSIONAL LIABILITY<sup>2</sup> (If Design Work is Performed)**

---

<sup>1</sup> Products and Completed Operations coverage for a minimum of 2 years after final payment.

**Required Minimum Limits Are:**

Per Occurrence	\$1,000,000
Aggregate	\$2,000,000
Maximum Deductible	\$25,000

**SUBCONTRACTORS EQUIPMENT INSURANCE  
COVERAGE**

**FULL**

---

<sup>1</sup> Products and Completed Operations coverage for a minimum of 2 years after final payment.

<sup>1</sup> Coverage must be maintained for two (2) years after the expiration of the term or termination of this Contract.

---

<sup>2</sup> Coverage must be maintained for two (2) years after the expiration of the term or termination of this Contract.