ADDENDUM "B" TO
GENERAL CONDITIONS OF THE CONTRACT FOR CONSTRUCTION
AIA Document A201 - 2007 Edition

CONTRACTOR'S LIABILITY INSURANCE

This ADDENDUM ("Addendum") is attached to and incorporated in that certain document entitled "General Conditions of the Contract for Construction, AIA Document A201-2007" ("General Conditions") and forms a part of the Contract for Construction between _____, a _____ ("Owner") and _____, a _____ ("Contractor"). In the event of any conflict, inconsistency or ambiguity between the terms and provisions of this Addendum and those of the General Conditions, this Addendum shall govern. The terms and provisions of the General Conditions are hereby modified as set forth below.

11.1 **Contractor's Liability Insurance**. Contractor shall obtain and maintain, and shall require each of its subcontractors to obtain and maintain, the insurance coverage specified in this Section 11.1, in a form and from insurance companies reasonably acceptable to Owner ("Required Insurance"). Such insurance shall cover all Work performed by Contractor at the Project site and any other location away from the Project site. The coverages set forth herein are the minimum requirements Contractor must satisfy and will not relieve Contractor of any liability for loss or damage not covered by, or in excess of the coverage limits for, the insurance policies required hereunder.

11.1.1 **Commercial General Liability**. The CGL policy must include the following:

(a) The limits of liability shall not be less than:

	Contractor	Subcontractor
Each Occurrence Limit	$2,000,000	$1,000,000
Personal and Advertising Injury Limit	$2,000,000	$1,000,000
Products/Completed Operations Aggregate Limit	$5,000,000	$2,000,000
General Aggregate Limit (other than Products/Completed Operations)	$5,000,000	$2,000,000

(b) ISO or comparable Occurrence Form (Occurrence Form #CG0001-1093 or equivalent). Modified Occurrence and Claims Made forms are not acceptable; if Modified Occurrence or Claims Made coverage is submitted, Owner shall have the right to cancel this Agreement or stop work and withhold payment to Contractor until proof of Occurrence Form coverage is received.

(c) Bodily injury, Property Damage and Personal and Advertising Injury Liability (with employee exclusion and contractual exclusions deleted as it pertains to Personal and Advertising Injury). Coverage shall be written to provide broad form property damage coverage, products liability/completed operations coverage, premises operations, incidental malpractice, liquor legal liability (if applicable), blanket contractual liability, personal and

advertising injury, independent contractor's liability, mobile equipment, damage from explosion, collapse and underground hazards (i.e., no "XCU" exclusion), and cross-liability and severability of interest clauses.

(d) Endorsement ISO-Form B #CG2010-1185 or its equivalent at no expense to Owner naming Owner, Sunbelt Investment Holdings Inc., Mann Enterprises, Inc., and their respective officers, directors, partners, shareholders, members and employees and Owner's lender, as additional insureds. Any form that limits coverage to "ONGOING OPERATIONS" or otherwise does not grant additional insured status under the products/completed operations coverage IS NOT ACCEPTABLE.

(e) A provision that such insurance afforded by the policy for the benefit of the additional insureds shall be primary insurance but only as respects any claims, losses, or liabilities relating to or arising out of the operations of the named insured, and any insurance maintained by the additional insureds shall be non-contributing.

(f) Contractor shall maintain Products and Completed Operations coverage for either a minimum of 10 years following Substantial Completion of the Project or until all applicable statutes of limitations expire, whichever length of time is longer. Contractor further agrees to continue naming Owner and the Additional Insured(s) for the entire length of time as described above.

(g) An endorsement affording thirty (30) days' prior notice (except ten (10) days for non-payment of premium) to Owner in the event of cancellation, non-renewal, material change and/or reduction in policy limits. The reference to "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" in the cancellation notification portion of the certificate and/or endorsement must be deleted.

(h) A deductible or self-insured retention of not more than $5,000 per occurrence or accident (unless approved in writing by Owner) and no deductible or self-insured retention as to any additional insured.

(i) With respect to any Contractor performing trenching activities over five (5) feet in depth or grading operations of any manner, no exclusionary language or limitations relating to soils subsidence or earth movement of any kind regardless of cause.

(j) A provision that defense costs are paid in addition to and do not deplete any policy limits.

(k) Waiver of subrogation endorsement in favor of the Owner.

(l) If insurable by law, no exclusionary language or limitations relating to punitive or exemplary damages, fines or penalties.

(m) No exclusionary language or limitations that are applicable to any additional insured that are not applicable to the named insured.

(n) An endorsement stating that any aggregate limits apply on a "per project" and on a "per location" basis.

11.1.2 **Automobile Liability**.

(a) $1,000,000 combined single limit or equivalent approved by Owner.

(b) Bodily injury, property damage, underinsured and uninsured motorist.

(c) Owned, non-owned and hired vehicles.

(d) Thirty (30) days' (ten (10) days for non-payment of premium) notice of cancellation.

11.1.3 **Workers' Compensation/Employer's Liability**.

(a) Bodily injury limits as required by statute.

(b) Employer's Liability:

Bodily injury by accident - $1,000,000 each accident
Bodily injury by disease - $1,000,000 each employee
Bodily injury by disease - $1,000,000 policy limit

(c) Waiver of subrogation endorsement in favor of the Owner.

(d) Thirty (30) days' (ten (10) days for non-payment of premium) notice of cancellation.

11.1.4 **Miscellaneous Requirements**.

(a) Insurance carriers must have at least a "Best's Rating" of "A" and a Financial Size Category" of "VIII" or better as set forth in the most current edition of Best's Key Rating Guide, and shall otherwise be acceptable to Owner.

(b) The Required Insurance shall cover Contractor, its authorized representatives, employees, agents and any other person performing any work under any contract or Agreement with Contractor.

(c) The Required Insurance shall no contain any exclusionary language or limitations that are applicable to any additional insured that are not applicable to the named insured.

(d) The project/job description and/or description of operations on all certificates, endorsements and other insurance documentation shall read "All Operations."

(e) Concurrently with the execution of this Agreement, Contractor shall file with Owner original certificates of insurance and endorsements showing the Required Insurance to be in force and certified copies of all policies as well as any subsequent policies and

endorsements which Contractor is required to procure and maintain. Renewal certificates and endorsements for Required Insurance shall be provided to Owner, at no expense to Owner, not less than thirty (30) days prior to expiration of such insurance. The certificate and evidence of endorsements for each policy shall be signed by a person authorized by each insurer to bind coverage on its behalf. The Owner reserves the right at any time to require that Contractor provide the Owner with complete, certified copies of any or all insurance policies. CONTRACTOR SHALL NOT COMMENCE OR BE PAID FOR ANY WORK UNLESS AND UNTIL INSURANCE DOCUMENTATION PROPERLY COMPLETED AND EXECUTED HAS BEEN DELIVERED TO AND APPROVED BY OWNER.

(f) Contractor shall immediately report to Owner, and promptly thereafter confirm in writing, the occurrence of any injury, loss or damage incurred by Contractor, or Contractor's receipt of notice or knowledge of any claim by a third party or any occurrence that might give rise to such a claim. Upon the completion of the Work, Contractor shall submit to Owner a written summary of all such injuries, losses, damage, notices or third party claims and occurrences that might give rise to such claims. Contractor shall promptly report all such claims or occurrences that could give rise to such claims to its insurance carrier and provide a claim acknowledgment notice from the carrier to Owner as proof that the claim or occurrence has been reported.

(g) If any of the insurance required to be maintained by Contractor pursuant to this Addendum "B" contains aggregate limits which apply to operations of Contractor other than those operations which are the subject of this Agreement, and such aggregate limits are diminished by more than twenty percent (20%) after any one or more incidents, occurrences, claims, settlements or judgments against such insurance, Contractor shall so notify Owner and shall take immediate steps to restore aggregate limits or shall maintain other insurance protection for such aggregate limits.

(h) In the event Contractor wishes to make any claim for recovery under any insurance policy hereunder, Contractor shall give timely notification to Owner of the event giving rise to the claim, cooperate with Owner, and do all things required of it as an insured under such policy, so as to permit the policy to be complied with and a claim to be made thereunder. Contractor further agrees that to the extent required under such policy, Contractor shall permit and authorize full subrogation in favor of the insurers of any rights, as against any other person, firm or corporation (other than any of the Indemnified Parties). The obligations in this Section (h) shall survive the termination of this Agreement.

(i) The failure of Contractor to carry and maintain the insurance coverages under this Addendum "B" shall not be deemed to limit Contractor's liability or in any way limit, modify or otherwise diminish Contractor's indemnification obligations contained in this Agreement. The insolvency, bankruptcy or failure of any insurance company issuing insurance for Contractor, or the failure or refusal of any insurance company to pay claims shall not be held to waive any of the provisions of this Agreement. In the event Contractor fails to carry and maintain the insurance specified herein, the Owner may, at its option, but without the obligation to do so, secure such insurance, and the cost thereof, plus a five percent (5%) administrative charge, shall be paid by the Contractor to the Owner within ten (10) days after demand from the

Owner to Contractor, or, at the Owner's discretion, offset such amount against any amounts due from the Owner to Contractor.

(j) The insurance requirements set forth herein shall in no way limit Contractor's liability arising out of the work performed under the Agreement or related activities. The inclusions, coverage and limits set forth herein are minimum inclusions, coverage and limits. Nothing contained herein shall be construed as limiting the type, quality or quantity of insurance coverage that Contractor should maintain. Contractor shall be responsible for determining appropriate inclusions, coverage and limits which may be in excess of the minimum requirements set forth herein.

(k) The failure of Contractor to fully and strictly comply at all times with the insurance requirements set forth herein shall be deemed a material breach of the Agreement.