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25 July 2014

Subcontract Insurance requirements

The Contractor's insurance must meet the RH Sheppard's minimum requirements as follows:

Contractor, at its own cost and expense, during the term of this Agreement and for any additional period(s) as required, shall purchase from and maintain in a company or companies with an A. M. Best rating of "A X" or better and lawfully authorized to do business in the jurisdiction in which the work is located such insurance as will protect the Contractor, and RH Sheppard which may arise out of or result from the Contractor's operations and completed operations under the Contract and for which the Contractor may be legally liable, whether such operations be by the Contractor or by a Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. Contractor is responsible to pay any and all deductibles and/or self-insured retentions that may apply to the required insurance. RH Sheppard, its appointed boards, directors, officers, employees, agents and subagents, individually and collectively, shall be named additional insureds on the policies as noted below. The Contractor's coverage naming RH Sheppard as additional insured shall include an endorsement specifying that the Contractor's coverage is primary and non-contributory to any other coverage available to RH Sheppard, including, without limitation, coverage maintained by RH Sheppard wherein RH Sheppard is the named insured, and that no act or omission shall invalidate the coverage.

The insurance required shall be written for not less than limits of liability specified in the Contract Documents or required by law, whichever coverage is greater. Coverages, must be written on an occurrence basis and shall be maintained without interruption from date of commencement of the Work until date of termination of this agreement.

Required insurance and limits are:

1. Commercial General Liability Insurance

- Coverage be written on a Standard ISO General Liability form (CG0001) or similar and should not contain any specific exclusions relating to contractual, products / completed operations liability, and contractor's protective liability.
- Minimum acceptable limit of coverage of \$1,000,000 per occurrence, \$2,000,000 aggregate. (Exception: a higher limit may be required for hazardous non-routine building services).
- RH Sheppard must be named as additional insured.
- Policy should be provided in an "occurrence" form.

2. Business Auto Liability Insurance

- Coverage must include owned, hired, and non-owned vehicles, Symbol #1(any vehicle).
- Minimum acceptable limit of coverage of \$1,000,000 combined single limit for bodily injury and property damage.
- RH Sheppard must be named as additional insured.

3. Workers' Compensation Insurance

- Must provide benefits as mandated by the state workers' compensation statute.
- Minimum acceptable Employer's Liability limit is \$100,000 each accident, bodily injury by accident and \$100,000 for each employee, bodily injury by disease, \$500,000 policy limit, bodily injury by disease.

4. Excess Liability Insurance with a minimum acceptable limit of coverage of \$3,000,000 (or the final limit decided to be appropriate) per occurrence and aggregate. Such coverage shall be excess of the general liability insurance, business auto liability insurance, and employers liability as required by this contract. RH Sheppard must be named as additional insured.

5. If professional services are involved - Professional (E&O) Liability Insurance with minimum acceptable limits of \$1,000,000 per claim, \$2,000,000 aggregate.

6. If any work involves or includes handling, transporting, disposing or performing work or operations with hazardous substances or constituents, contaminants, waste, toxic materials, or any potential pollutants – Environmental/Pollution Liability Insurance with minimum acceptable limits of \$3,000,000 per occurrence. Certificate should specify the limit of liability for the various sections of the policy and retention amount. RH Sheppard must be named as additional insured.

Certificates of insurance acceptable to RH Sheppard shall be filed with RH Sheppard prior to commencement of the Work and thereafter upon renewal or replacement of each required policy of insurance. These certificates and the insurance policies shall contain a provision that coverages afforded under the policies will not be canceled or allowed to expire until at least 30 days' prior written notice has been give to RH Sheppard.

Failure of Contractor to obtain and maintain the required insurance shall constitute a breach of contract and Contractor will be liable to RH Sheppard for any and all cost, liabilities, damages, and penalties (including attorney's fees, court, and settlement expenses) resulting from such breach, unless RH Sheppard provides Contractor with a written waiver of the specific insurance requirement.

None of the requirements contained herein as to the types, limits, or RH Sheppard's approval of insurance coverage to be maintained by Contractor are intended to and shall not in any manner, limit, qualify, or quantify the liabilities and obligations assumed by Contractor under the Contract Documents, any other agreement with RH Sheppard, or otherwise provided by law.

The Contractor shall require all subcontractors (of every tier) to meet the same insurance criteria as required of the Contractor. The subcontractor's insurance must name RH Sheppard as additional insured. The Contractor shall maintain each subcontract's certificate of insurance on file and provide such information to the owner for review upon request.

Failure of Contractor to provide insurance as herein required or failure of RH Sheppard to require evidence of insurance or to notify Contractor of any breach by Contractor of the requirements of this Section shall not be deemed to be a waiver of any of the terms of the Contract Documents, nor shall they be deemed to be a waiver of the obligation of the Contractor to defend, indemnify, and hold harmless the indemnified parties as required herein. The obligation to procure and maintain any insurance required is a separate responsibility of Contractor and independent of the duty to furnish a copy or certificate of such insurance policies.

Indemnification/Hold Harmless Agreement

The Contractor, the extent not otherwise inconsistent with the laws of the jurisdiction in which the Contractor practices, will indemnify, defend, protect, and hold harmless RH Sheppard, its appointed boards, directors, officers, employees, agents and subagents, individually and collectively, from all injury or damage of any kind resulting from said operations, to persons or property regardless of who may be the owner of the property. In addition to the liability imposed upon the Contractor on account of personal injury (including death) or property damage suffered through the Contractor's negligence which liability is not impaired or otherwise affected hereunder, the Contractor assumes the obligation to save RH Sheppard from every expense, liability or payment arising out of or through injury (including death) to any person or persons or damage to property (regardless of who may be the owner of the property) of any place in which work is located, arising out of or suffered through any act or omission of the contractor or any sub-contractor, or anyone directly or indirectly employed by or under supervision of any of them in the prosecution of the operations included in this contract.

The Contractor does not agree to indemnify and save harmless RH Sheppard from any changes, claims, expenses, or actions based upon or arising out of any damages, losses, claims, expenses, costs, injuries or illnesses sustained or incurred as the sole result of the negligence of RH Sheppard, its agents, representatives or employees.