



R&O CONSTRUCTION

R&O CONSTRUCTION COMPANY'S MINIMUM INSURANCE REQUIREMENTS

(March 21, 2025)

Minimum Insurance Coverages and Limits

Unless higher limits or additional coverages are required by the applicable documents (Work Authorization Document or Prime Contract), Subcontractor/Supplier shall purchase and maintain in effect at all times during the performance of its Work, and during any additional periods specified, the following minimum insurance coverages and limits:

1. **Commercial General Liability** ("GL") on an occurrence basis (claims made basis is not acceptable) with limits not less than \$1,000,000 each occurrence, \$2,000,000 products/completed operations aggregate and \$2,000,000 general aggregate.
 - 1.1. The GL coverage shall include, but not be limited to, liability arising from premises, operations, independent contractors, products-completed operations, contractual liability, personal injury and advertising injury and provide that any general aggregate limit applies separately to the Work on a "per project" basis.
 - 1.2. The GL coverage shall not include the following exclusions/limitations (or their equivalents):
 - 1.2.1. ISO CG 21 39 Contractual Liability Limitation;
 - 1.2.2. ISO CG 24 26 Amendment of Insured Contract Definition;
 - 1.2.3. ISO CG 21 44 Limitation of Coverage to Designated Premises or Project;
 - 1.2.4. Any endorsement modifying or deleting the exception to the Employer's Liability Exclusion;
 - 1.2.5. Any "Insured vs. Insured" exclusion; or
 - 1.2.6. Any exclusion or restriction of coverage for claims that apply to the type or nature of this particular Project or Work (with the result that any "classification limitation endorsement" must not exclude coverage for any of the Work), or any materials or processes involved in the Work, including, but not limited to, the following:
 - 1.2.6.1. Claims related to residential, multi-family, or other habitational projects, if the Work is to be performed on such a project;
 - 1.2.6.2. Claims related to roofing, if the Work involves roofing;
 - 1.2.6.3. Claims related to exterior insulation finish systems, synthetic stucco or similar exterior coatings or surfaces, if the Work involves such coatings or surfaces;
 - 1.2.6.4. Claims related to earth subsidence or movement, where the Work involves such hazards; and
 - 1.2.6.5. Claims related to explosion, collapse and underground hazards, where the Work involves such hazards.
 - 1.3. Products-completed operations liability insurance coverage must be maintained through the applicable period of statutory limitation of claims (or statute of repose if applicable) after completion of the applicable Project.
2. **Commercial Automobile Liability** insurance is required with limits of not less than \$1,000,000 each accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance, and use of owned, hired, and non-owned motor vehicles, along with any other statutorily required auto coverage.
3. **Excess/Umbrella Liability** insurance is required with limits of not less than \$1,000,000.
 - 3.1. The Excess/Umbrella Liability insurance must:
 - 3.1.1. Be excess over and be no less broad than (and must "follow form" with respect to) Subcontractor/Supplier's GL, Commercial Automobile Liability, and Employers Liability insurance required herein; and
 - 3.1.2. Be primary and non-contributory to, and will be subject to vertical exhaustion before any other primary, umbrella, or any other insurance obtained by the Additional Insureds (as defined below) will be triggered.
 - 3.2. Excess/umbrella liability coverage meeting the foregoing requirements must be maintained for the applicable period of statutory limitation of claims (or statute of repose, if applicable) after the completion of the applicable Project, or else include an extended reporting period for the equivalent number of years.
4. **Property Insurance** covering the full replacement value of job trailers, machinery, tools, equipment (including cranes), scaffolding, falsework, and property of a similar nature owned, leased, or borrowed by Subcontractor and not destined to become a part of the completed construction.
5. **Other Required Insurance Coverage where Exposure Exists.** The following insurance must be maintained by the Subcontractor/Supplier and its lower-tier subcontractors where the associated activities are part of Subcontractor/Supplier's work:

- 5.1. **Professional Liability.** If Subcontractor/Supplier or its sub-subcontractor of any tier is providing any professional services, including but not limited to design, architecture, engineering, testing, surveying, or design-build services on the Project, Subcontractor/Supplier must maintain professional liability insurance with minimum limits of \$1,000,000 per claim / aggregate. If coverage is issued on a claims-made form, such coverage must apply with a retroactive date to reflect the date in which professional services commenced under the Agreement. Subcontractor/Supplier agrees to continue to maintain professional liability insurance coverage meeting these requirements for the applicable period of statutory limitation of claims (or statute of repose, if applicable) after the Project completion, or else include an extended reporting period for the equivalent number of years.
- 5.2. **Pollution Liability.** If the Work of Subcontractor/Supplier or its sub-subcontractor at any tier includes Environmental Services, then Subcontractor/Supplier must maintain contractor's pollution liability insurance on an occurrence basis, with limits of liability not less than \$1,000,000 per occurrence and aggregate or any higher limit as specified by Owner or set forth elsewhere in the other contract documents. "Environmental Services" means any contact with a Hazardous Material, including abatement, removal, remediation, transporting, or disposal of a Hazardous Material or working in areas where contact with such Hazardous Materials may occur. "Hazardous Material" means asbestos, asbestos containing material, lead (including lead-based paint), PCB, silica, silica dust, molds and microbial matter, any other chemical, material, or substance subject to regulation as a hazardous material, hazardous substance, toxic substance, or otherwise, under applicable laws; and any other chemical, material, or substance that may have adverse effects on human health or the environment.
- 5.3. **Coverage for Crane Services.** Should Subcontractor/Supplier's Work include providing crane services, then the commercial general liability policy must provide the minimum limits of liability specified below to insure against bodily injury and property damage arising from such crane operations. The policy must either include coverage for Rigger's Liability and must not exclude coverage for damage to property being lifted, or a separate Rigger's Liability policy must be provided with limits not less than the maximum value of property lifted at any one time.
 - 5.3.1. \$5,000,000 each occurrence;
 - 5.3.2. \$5,000,000 personal and advertising injury;
 - 5.3.3. \$5,000,000 aggregate for products - completed operations; and
 - 5.3.4. \$5,000,000 general aggregate.
- 5.4. **Unmanned Aircraft Systems Insurance.** Should Subcontractor/Supplier's Work include using any owned, leased or hired drone or unmanned aerial vehicle ("UAV"), then Subcontractor/Supplier must maintain unnamed aircraft system insurance on an occurrence basis, with limits of liability not less than \$1,000,000 per occurrence / aggregate or any higher limit as specified by Owner or set forth elsewhere in the Contract Documents.
 - 5.4.1. This requirement may be met through one of the following:
 - 5.4.1.1. Subcontractor/Supplier's GL policy must be endorsed with UAV liability coverage;
 - 5.4.1.2. Under the GL policy, the aircraft exclusion must be deleted or exception to exclusion provided by the carrier; or
 - 5.4.1.3. A separate unmanned aircraft system policy must be provided to include bodily injury and property damage liability and physical damage to the UAV and support systems.

Additional Insureds and Primary/Non-Contributory Insurance Clause

Subcontractor/Supplier shall name Owner and R&O Construction Company ("Contractor"), their respective officers, partners, agents, employees, affiliates, members, owners and successors, as additional insured parties under Subcontractor/Supplier's GL policy and all other liability insurance policies except the workers' compensation, employer's liability, or professional liability policies, with respect to liability arising out of activities, "operations" or "work" performed by or on behalf of Subcontractor/Supplier, including products and completed operations of Subcontractor/Supplier. Further, Subcontractor/Supplier agrees to also name those entities, if any, that Contractor is obligated to name as an additional insured party pursuant to the provisions of any prime contract (parties described as additional insured parties in this sentence and the prior one are collectively the "Additional Insureds"). To the maximum extent permitted by law, the coverage provided to the Additional Insureds under the GL policy must be provided by a policy provision or an endorsement that is as least as broad as ISO CG 20 10 07 04 (ongoing operations) in combination with ISO CG 20 37 07 04 (completed operations). Notwithstanding the foregoing, Subcontractor/Supplier must provide ISO CG 20 10 10 01 and ISO CG 20 37 10 01 or equivalent coverage where available from its carrier. The additional insured coverage for completed operations must be maintained during the applicable period of statutory limitation on claims (or statute of repose, if applicable). The insurance coverages required of the Subcontractor/Supplier shall provide that they are primary with respect to the interests of the Additional Insureds and that any other insurance maintained by the Additional Insureds is excess and not contributing insurance with the insurance required hereunder.

Certificates and Policies

Certificates of Insurance acceptable to Contractor, along with all required policy endorsements providing additional insured coverage, primary and non-contributory coverage, and permitting waiver of subrogation, as evidence of coverage, shall be filed with Contractor before commencement of the Work. Subcontractor/Supplier shall furnish all certificates of insurance before receiving any payments otherwise due. Renewal certificates must be provided to Contractor before policy expiration. All policies must include that there will be no cancellation, suspension, or non-renewal of coverage without 30 calendar days' prior written notice to Subcontractor/Supplier. Subcontractor/Supplier must provide Contractor with written notification of any cancellation or non-renewal no later than 5 business days after receiving the insurer's notice so that Contractor has at least 25 calendar days' notice before the policy is cancelled or not renewed. Subcontractor/Supplier must also provide Contractor with written notice within 5 business days of any modification to its policies that results in non-conformance with this Agreement. In lieu of the Subcontractor/Supplier notification process to Contractor for policy cancellation, non-renewal, or modification, Contractor will accept a policy endorsement issued by each insurer providing agreement to issue 30-calendar days' prior written notice of cancellation, non-renewal or modification direct to Contractor.

Waiver of Subrogation

Subcontractor/Supplier shall waive, and shall require (by endorsement or otherwise) all its insurers to waive subrogation against Contractor, Owner and any other Additional Insureds and their respective agents, officers, directors and employees for recovery of damages to the extent these damages are covered by commercial general liability, commercial excess/umbrella liability, business auto liability, workers compensation or employers' liability insurance, or professional liability insurance maintained pursuant to the requirements. The waiver shall apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by Subcontractor/Supplier or its lower-tier subcontractors.