

## **Exhibit F: Design-Builder's Insurance Requirements**

### **INSURANCE FOR PHASE 1 SERVICES**

Design-Builder, in its performance of Phase 1 Services, shall provide documentation evidencing that it maintains insurance in strict accordance with the requirements of this Exhibit F, "Insurance for Phase 1 Services."

- a. Owner shall not be required under the Agreement to procure or maintain any insurance for the Project or for the benefit of the Design-Builder or any other Project participants. It is the intent of the Agreement and the other Contract Documents that Design-Builder will implement insurance and purchase insurance policies to protect the Work and to insure against liabilities of Design-Builder and its Design Consultants, Subcontractors, and suppliers of any tier. Such insurance shall be of the kinds and have limits of liability and coverage not less than the minimum limits specified in this Exhibit F, "Insurance for Phase 1 Services," or required by law, whichever is greater. Owner's separate contractors that may be working at the Project Site contemporaneously with Design-Builder will include Design-Builder as an additional insured.
- b. Design-Builder shall, without limiting its obligations or liabilities, procure, pay for, and maintain such insurance as is required by law and as is required by the Agreement and the other Contract Documents to protect Design-Builder and the Owner from claims for damages for bodily injury, including without limitation death, and from claims for property damage, including the loss of use resulting therefrom, which may arise out of or result from Design-Builder's or its representatives', Design Consultants', Subcontractors', agents', or employees' operations under the Agreement. Such insurance shall be of the kinds and have limits of liability and coverage not less than the minimum limits specified in this Exhibit F, "Insurance for Phase 1 Services," or required by law, whichever is greater. Owner makes no representation as to the adequacy or sufficiency of such coverage. The requirements of this Exhibit F, "Insurance for Phase 1 Services," shall in no way be construed to limit or eliminate the liability of Design-Builder that arises from performance of Work under the Agreement and the other Contract Documents. Design-Builder is strictly responsible for any losses, claims, and costs of any kind which exceed the Design-Builder's limits of liability, or which may be outside the coverage scope of the policies.
  1. The obligations of the Design-Builder under this Exhibit F, "Insurance for Phase 1 Services," shall not extend to liability arising out of the negligence of Owner or its respective representatives, consultants, other contractors, agents, and/or employees. The obligations of Design-Builder under this Exhibit F, "Insurance for Phase 1 Services," shall not extend to liability arising out of professional services unless performed by Design-Builder or its Design Consultants.
- c. The insurance required by this Exhibit F, "Insurance for Phase 1 Services," shall be provided by an insurer approved by Owner, authorized to do such business in the State of North Carolina, and on terms approved by Owner. All insurance companies utilized by Design-Builder shall have a minimum rating of A- and Class VII as evaluated by the most current A.M. Best Rating Guide. All agents and

brokers of Design-Builder's insurers shall hold valid licenses from the State of North Carolina. Design-Builder shall furnish to Owner a certificate or certificates of insurance for its Design Consultants and Subcontractors in a form satisfactory to Owner contemporaneously with the executed contracts with such Design Consultants and Subcontractors. Upon request of Owner, Design-Builder shall provide Owner with redacted copies of the insurance policies required by this Exhibit F, "Insurance for Phase 1 Services," including without limitation declaration pages, conditions, exclusions, and additional insured endorsements, and shall confirm that each policy premium has been paid for the required term of the Agreement. Certificates of insurance shall be signed by a person authorized by that insurer to bind coverage on its behalf.

- d. All insurance policies required by this Exhibit F, "Insurance for Phase 1 Services," shall provide that the insurance carrier shall not initiate cancellation, non-renewal, or material limitation of coverage without at least thirty (30) days prior written notice to Owner (or 10 days in the case of cancellation due to non-payment of premium). A Direct Notice of Cancellation endorsement is to be attached to corresponding certificates of insurance. In the event of any such cancellation, non-renewal, or material limitation, Design-Builder is obligated to replace such insurance within seven (7) days without a gap in coverage and file accordingly such notice with Owner and other interested parties. Failing immediate receipt of evidence of such replacement of insurance, Owner reserves the right to procure such insurance as Owner considers desirable, and Design-Builder shall pay or reimburse the cost of the premium arising therefrom without any rights to seek subsequent reimbursements from Owner.
- e. No action or inaction on the part of Owner shall in any way change or reduce Design-Builder's responsibilities and liabilities under the Agreement and the other Contract Documents. Self-funded, policy fronting, or other non-risk transfer insurance programs or mechanisms are not acceptable without prior written approval of Owner. Full disclosure of such a program must be made prior to Design-Builder's commencing mobilization to the Project Site. Failure to make a full disclosure constitutes a material breach of the Agreement.
- f. Design-Builder shall ensure that it and all its Design Consultants and Subcontractors name Owner as additional insured under all insurance policies required by the Agreement and the other Contract Documents to be procured and maintained during the pre-construction phase of the Project (except workers' compensation, employers' liability, and professional liability) with respect to and including liability for bodily injury and property damage caused, in whole or in part, by the willful misconduct, negligent act, or omission of Design-Builder or those acting on Design-Builder's behalf (including without limitation Design Consultants and Subcontractors) under the Agreement, products and completed operations of Design-Builder, and automobiles owned, hired, leased, or borrowed by Design-Builder. Additional insured status is not intended to extend to liability caused by Owner's negligence.
- g. For any claims related to this Project, Design-Builder's insurance or self-insurance shall be primary and noncontributory with respect to any of Owner's insurance to the extent of Design-Builder's liability under this Exhibit F, "Insurance for Phase 1 Services". Any insurance or self-insurance maintained by Owner shall be excess and noncontributory with respect to Design-Builder's insurance.

- h. All policies of insurance required under this Exhibit F, "Insurance for Phase 1 Services," shall contain a clause or endorsement waiving rights of subrogation against Owner.
- i. Limits of coverage are not to be amended by deductible clauses of any nature without the express written consent of Owner. Design-Builder shall be solely responsible for any deductible assumptions that may exist in any insurance policies required under the Agreement. In addition, Design-Builder shall be responsible and shall not be reimbursed for any losses arising from any risk or exposure not insured as required by this Exhibit F, "Insurance for Phase 1 Services," or not covered as a result of normal policy exclusion or that falls within the self-insured retention if Design-Builder is self-insured.

The following deductibles are included in the Design-Builder's policies:

(1).	\$500,000	General Liability
(2).	\$500,000	Workers Compensation/Employers Liability
(3).	\$100,000	Auto Liability
(4).	\$500,000	Pollution Liability/Professional Liability
(5).	\$5,000	Builder's Risk (various other deductibles apply)

- j. Design-Builder's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- k. The claim provisions in Design-Builder's insurance policies must specifically state the insurance company or Design-Builder's third-party administrator. If self-insured, Design-Builder has both the right and the duty to adjust a claim and provide defense.
- l. If any of the policies procured pursuant to this Exhibit F, "Insurance for Phase 1 Services," contain any warranty stating that coverage is null and void (or words to that effect), or if Design-Builder does not comply with the most stringent regulations governing the Work, then the policies shall be modified so that coverage shall be afforded in all cases except for Design-Builder's willful or intentional noncompliance with applicable government regulations.
- m. Any failure by any person to comply with reporting or other provisions of any insurance policy, including without limitation breach of warranties, shall not affect coverage provided to Owner and its respective representatives, officials, and employees. The Builders' Risk coverage does not include a Separation of Insured's provisions.
- n. The insolvency or bankruptcy of the insured or of the insured's estate shall not relieve the insurance companies of their obligations under these policies. Any clauses to the contrary are unacceptable and must be stricken.
- o. Reserved
- p. The Work under the Agreement shall not commence until Design-Builder has verified to Owner that all required insurance coverages as described in this Exhibit F, "Insurance for Phase 1 Services," have been obtained and further verified that appropriate certificates of insurance have been approved in

writing by Owner. Owner's review and/or acceptance of such certificates of insurance shall neither relieve Design-Builder of any requirement to provide the specific insurance coverages set forth herein nor constitute a waiver or acknowledgment of satisfaction of the specific insurance coverage requirements set forth in the Agreement and the other Contract Documents.

1. The Description of Operations/Locations/Vehicles section in the certificates of insurance should include: COR Department/Division, Name of Project or Services, Projected Dates of Contract

The Certificate Holder address should read:

City of Raleigh

Post Office Box 590

Raleigh, NC 27602-0590

- q. Worker's Compensation and Employer's Liability: Design-Builder shall ensure that it and all of its Design Consultants and Subcontractors procure and maintain Workers' Compensation Insurance in the amount and type required by the State of North Carolina and federal law for all employees employed under the Agreement who may come within the protection of Workers' Compensation Laws and covering all operations under the Agreement, whether performed by Design-Builder or by its Design Consultants or Subcontractors. In jurisdictions not providing complete Workers' Compensation protection, Design-Builder shall ensure that it and its Design Consultants and Subcontractors shall maintain employers' liability insurance in an amount, form, company, and agency satisfactory to the State of North Carolina and Owner for the benefit of all employees not protected by Workers' Compensation Laws and covering all operations under the Agreement whether performed by Design-Builder or by its Design Consultants or Subcontractors.

1. Design-Builder shall pay such assessments as will protect Design-Builder and Owner from claims under the Workers' Compensation Laws, workers' or workmen's compensation disability benefits, and other similar employee benefit acts. The current Experience Modification Factor shall be indicated on the certificate of insurance.

2. Coverage under this Exhibit F, "Insurance for Phase 1 Services," shall be as required by federal and state Workers' Compensation and Occupational Disease Statutes, and shall have minimum limits as follows:

- Coverage A: Statutory, State of North Carolina
- Employers' Liability: Each Accident: \$1,000,000
- Disease - Policy Limit: \$1,000,000
- Disease - Each Employee: \$1,000,000

3. Such insurance shall include Voluntary Compensation coverage, a Waiver of Subrogation in favor of Owner, as well as other endorsements that may be required by applicable jurisdictions, i.e. United States Longshoremen and Harbor Workers Act and maritime coverage (Jones Act).

r. Automobile Liability Insurance: Design-Builder shall ensure that it and all of its Design Consultants and Subcontractors procure and maintain automobile insurance against liability for bodily injury, death, and property damage as described below, that may arise out of or result from the Work being performed under the Agreement, and will provide protection from claims which may arise out of or result from Design-Builder's performance of the Work and Design-Builder's other obligations under the Agreement, whether such performance of the Work is by Design-Builder; by any representative of Design-Builder; by any of Design-Builder's Design Consultants or Subcontractors; by anyone employed directly or indirectly by Design-Builder or any of its Design Consultants or Subcontractors; or by anyone else for whose acts Design-Builder or any of its Design Consultants or Subcontractors may be liable.

1. This policy of insurance shall carry the following minimum Limit of Liability:

Combined Single Limit: \$1,000,000

2. The policy of insurance shall contain or be endorsed to include the use of any automobile, including owned, hired, and non-owned automobile liability.

3. If the policy contains a warranty stating that coverage is null and void (or words to that effect) if the transporter does not comply with the most stringent regulations governing the Work, the policy shall be modified so that coverage shall be afforded in all cases except for the transporter's willful or intentional noncompliance with applicable government regulations.

s. General Liability: Design-Builder shall ensure that it and all of its Design Consultants and Subcontractors procure and maintain commercial general liability insurance against liability for bodily injury, death, and property damage, including the resulting loss of use therefrom, as described below, that may arise out of or result from the Phase 1 Services being performed under the Agreement, and will provide protection from claims which may arise out of or result from Design-Builder's performance of the Phase 1 Services and Design-Builder's other obligations under the Agreement, whether such performance of the Phase 1 Services is by Design-Builder; by any representative of Design-Builder; by any of Design-Builder's Design Consultants or Subcontractors; by anyone employed directly or indirectly by Design-Builder or any of its Design Consultants or Subcontractors; or by anyone else for whose acts Design-Builder or any of its Design Consultants or Subcontractors may be liable. This policy of insurance must be written on an occurrence basis, with the following minimum Limits of Liability:

- General Aggregate per project: \$5,000,000.00
- Products/Completed Operations Aggregate: \$5,000,000.00
- Bodily Injury & Property Damage /each occur: \$5,000,000.00
- Personal Injury and Advertising Injury: \$2,000,000.00

The policy of insurance shall contain or be endorsed to include the following:

Blanket Contractual Liability covering Design-Builder's indemnification obligations under the Agreement and the other Contract Documents in accordance with ISO policy form CG 00 01.

Modifications to the standard provision will not be acceptable if they serve to reduce coverage for the following:

- Premises/Operations Liability.
- Explosion, collapse, and underground fault.
- Independent Contractors and Independent Subcontractors coverage.
- Broad Form Property Damage.
- Personal Injury.
- Cross Liability/Severability of Interest clause.
- Employer's Stop-Gap Liability endorsement, if applicable.
- Amendment of the Pollution Exclusion Endorsement to allow coverage for bodily injury or property damage caused by heat, smoke, or fumes from a hostile fire.
- Designated General Aggregate Limit Endorsement if required by the Supplementary Conditions.

Design-Builder shall ensure that it and all of its Design Consultants and Subcontractors provide Owner additional insured endorsements CG 20 10 10 01 or CG D3 61 03 05 for ongoing and premise operations and CG 20 37 10 01 for completed operations, except as may otherwise be approved by Owner to meet MWBE goals.

Umbrella or Excess Liability insurance coverage may be used to meet or exceed the minimum insurance limits in the Agreement and the other Contract Documents using a follow-form coverage form for all layers. Coverage shall remain continuously in effect and without interruption for at least six (6) years after Substantial Completion and shall include coverage for exposures arising from operations that have been completed. Design-Builder shall furnish Owner and each other additional insured listed in the Agreement to whom the certificates of insurance have been issued, evidence satisfactory to Owner of continuation of such insurance at the date of Substantial Completion and each year thereafter.

- t. Property Insurance: In the event any construction work is to be performed in connection with the Design-Builder's Phase 1 Services, then prior to the commencement of any such construction work being performed, the Design-Builder shall be responsible for purchasing and maintaining builder's risk insurance to protect the Project from perils of physical loss. The Builder's Risk policy must be an "All Risk" (Special Perils) coverage form, have no coinsurance penalty provisions, and be endorsed to increase the limit of insurance for all Change Orders. The Builder's Risk policy shall contain no exclusion for theft, collapse, or damage to foundations or underground structures, pipes, or conduits.

The insurance required by this Subparagraph (t) shall provide for the full cost of replacement for the construction Work at the time of any loss. The insurance shall insure against the loss from the perils of fire and all risk coverage for physical loss or damage due to theft, vandalism, riot, civil commotion, collapse, malicious mischief, transit, flood, earthquake, testing, damages resulting from defective design, negligent workmanship, blasting and explosion, windstorm, hail, lightning, vehicle impact, aircraft, smoke, mechanical breakdown, boiler explosion, artificial generated electrical current, or

defective material, or water damage other than caused by flood. Owner and all tiers of Subcontractors shall be additional insureds on the Builder's Risk policy. Design-Builder shall be the named insured (responsible for premium payments, policy changes, etc.). Design-Builder shall increase the coverage limits as necessary to reflect changes in the estimated replacement cost of the Project.

Cold Testing will be automatically included in the policy. Hot Testing exposures will apply to the Project, and as such this exposure is required to be added to the Builder's Risk insurance policy.

- (1). **WAIVERS OF SUBROGATION:** Owner and Design-Builder waive all rights against each other and any of their Subcontractors, Sub-Subcontractors, agents, and employees, each of the other, for damages caused by fire or other causes of loss to the extent covered by property insurance pursuant to this Subparagraph (t) or other property insurance applicable to the construction Work. Owner or Design-Builder, as appropriate, shall require of the Subcontractors, separate Sub-Subcontractors, agents, and employees of any of them, by appropriate agreements, written where legally required for validity, similar waivers each in favor of other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise; did not pay the insurance premium directly or indirectly; and whether or not the person or entity had an insurable interest in the property damaged.
- u. **Aviation/Aircraft:** If required by Owner, Design-Builder shall ensure that the operator of an aircraft of any kind, including without limitation drones and/or other forms of unmanned aircraft, utilized in the performance of the Agreement, must maintain liability insurance covering bodily injury and property damage on a combined single limit basis, each occurrence limit and in the aggregate (including passenger liability) with liability limits in an amount not less than Five Million and 00/100 Dollars (\$5,000,000). If non-employee passengers are carried, the policy procure must not include a per-passenger sublimit. Prior to commencing operations, the operator of any aircraft covered by this Subparagraph (u) must provide Owner with a certificate of insurance naming Owner as additional insured on a primary and non-contributory basis. The operator of the aircraft and its insurer(s) must hold Owner harmless and waive subrogation with respect to damage to the aircraft. If the aircraft is to be used to perform lifts at the Project Site, a "slung cargo" endorsement must be included to cover the full replacement value of any equipment being lifted.
- v. **Professional Liability:**
- (1). Design-Builder shall ensure that it and all of its Design Consultants and Subcontractors provide and maintain professional liability insurance coverage to protect Owner from liability arising out of or resulting from the performance of professional services if any, by Design Builder, its Design Consultants, and/or its Subcontractors under the Agreement and any other Contract Documents or any amendments thereto. Such coverage shall be in the sum of not less than Ten Million Dollars (\$10,000,000.00).

(2). Throughout the term of the Agreement, the professional liability policy shall contain full prior acts coverage. Coverage should be continuously maintained during the term of the Agreement. Coverage shall not include any exclusions or limitations related to (i) scope of professional services; (ii) delays in Project completion or cost overruns; (iii) who is authorized to notify the carrier of a claim or a potential claim; and (iv) mold, fungus, asbestos, pollutants, or hazardous substances.

(3). Claims-made coverage is permitted provided the policy retroactive date is continuously maintained prior to the Effective Date of the Agreement and coverage is continuously maintained during all periods in which Design-Builder performs professional services for Owner and for an additional period of one (1) year after termination of the Agreement or the last date such services are performed, whichever comes later.

w. Deductible: Any deductible, if applicable to loss covered by any insurance policy required by this Exhibit F, "Insurance for Phase 1 Services," is to be borne by Design-Builder, its Design Consultants, and/or its Subcontractors.

x. Proof of Coverage: Design-Builder shall ensure that it, its Design Consultants, and all its Subcontractors furnish Owner with satisfactory proof of carriage of the insurance required above before written approval of Design-Builder's insurance for its Design Consultants and Subcontractors is granted by Owner.

y. Claims: Design-Builder shall notify Owner within twenty-four (24) hours of any claims or alleged claims received by Design-Builder, its Design Consultants, or by any of its Subcontractors, that are covered by any of the policies of insurance required of Design-Builder, its Design Consultants, and/or its Subcontractors under the Agreement and any of the other Contract Documents. Design-Builder shall provide a written copy of the claim or alleged claim to Owner within three (3) days of Design-Builder's receipt of the claim or alleged claim. If a claim is settled to the satisfaction of the claimant, Design-Builder shall submit a copy of the claimant's release to Owner.

If a claim or alleged claim is rejected by Design-Builder and/or its insurance company, Design-Builder shall immediately report this fact to Owner. Should thirty (30) days elapse after the claim or alleged claim has been received by Design-Builder, and Design-Builder is not able to report a settlement or rejection of the claim, it shall report to Owner the steps being taken with respect to the claim. Without limiting the foregoing, Design-Builder shall notify Owner in writing of any paid or incurred claims which may impair annual aggregate or general liability insurance coverage limits.

z. Contractor As Joint Venture: If Design-Builder is completing this Project on a joint venture basis, both joint venture partners shall retain all liabilities assumed by the Agreement, individually and collectively. This may include, but is not limited to, all premiums due, deductibles/self-insured retentions, coinsurance provisions, claim provisions, insurance policy conditions, and indemnification provisions hereunder.

Evidence of a Blanket Joint Venture Endorsement must be obtained from the General Liability and Design-Builder's Pollution Legal Liability carriers of each joint venture partner substantially as follows.

"With respect to "your work", and the "products-completed operations hazard", you are an insured for your liability arising out of the conduct of any partnership or joint venture of which you were a partner or member, even though this partnership or joint venture is not shown as a Named Insured in the Declarations. This coverage is excess over any available liability purchased specifically to insure the partnership or joint venture. This coverage will not inure to the benefit of any other party except you."

- aa. Pollution Legal Liability (PLL): Design-Builder shall ensure that it, its Design Consultants, and all of its Subcontractors provide and maintain pollution legal liability (PLL) insurance coverage. Coverage must include Asbestos Legal Liability and Errors and Omissions due to potential environmental hazards with limits no less than \$5,000,000 per occurrence or claim, and \$10,000,000 policy aggregate. Coverage shall apply to the scope of work described under the Agreement, including transportation, and shall include coverage for bodily injury, property damage (including loss of use of damaged property), clean-up costs, mold, defense costs, and investigative costs. Design-Builder shall maintain Completed Operations coverage for six (6) years following completion of construction Work.

Claims Made Policies: If any coverage required is written on a claims-made coverage form, the retroactive date must be shown, and this date must be before the Effective Date of the Agreement or the beginning of the contract work. Insurance must be maintained, and evidence of insurance must be provided, for at least six (6) years after completion of construction Work.

If coverage is canceled or non-renewed, and not replaced with another claims made policy form with a retroactive date prior to the Agreement Effective Date or start of work date Design-Builder must purchase an extended period coverage for a minimum of five (5) years after completion of contract work. A copy of the claims reporting requirements must be submitted to Owner for review. Pollution Liability shall not contain lead-based paint or asbestos exclusions.

- bb. Owner may elect to purchase certain insurance, specifically Pollution Legal Liability and/or Builder's Risk Insurance covering Owner, Design-Builder, Design Consultants, all Subcontractors, and all Sub-Subcontractors. In this event, Design-Builder, its Design Consultants, and its Subcontractors shall not be required to purchase insurance provided by Owner. If Owner elects to purchase either Pollution Legal Liability and/or Builder's Risk insurance, the Agreement shall be amended accordingly.

Design-Builder shall provide the costs of "Pollution Legal Liability" and "Builder's Risk insurance" coverages to Owner in order to facilitate Owner's decision whether to obtain these coverages in lieu of Design-Builder procuring them.

## **INSURANCE FOR PHASE 2 SERVICES**

The construction Work associated with the construction phase of the Agreement shall not commence until Design-Builder has verified to Owner that all required insurance coverages as described in this Exhibit F, "Insurance for Phase 2 Services," have been obtained and further verified that certificates of insurance have been approved in writing by Owner. These certificates shall contain a provision that coverage afforded under the policies will not be cancelled, reduced in amount, or eliminated until at least thirty (30) days after mailing written notice, by certified mail, return receipt requested, to the insured and Owner of such alteration or cancellation. It is understood by the parties that one or more of the limits of liability provided in this Exhibit F, "Insurance for Phase 2 Services," for the insurance coverages to be obtained and maintained by Design-Builder during the construction phase of the Work may be increased by the parties in agreed-upon construction scope(s) of Work to be incorporated into the Agreement as amendment(s) to the Agreement. Notwithstanding anything herein to the contrary, under no circumstance shall any amendment to the Agreement reduce any of the limits of liability that are established in this Exhibit F, "Insurance for Phase 2 Services."

All insurance companies must be licensed in North Carolina and be acceptable to the City of Raleigh's Risk Manager.

Design-Builder, in the performance of its Phase 2 Services, shall provide documentation evidencing that it maintains the insurance in strict accordance with the requirements of this Exhibit F, "Insurance for Phase 2 Services:"

- a. Owner shall not be required under the Agreement and the other Contract Documents to procure or maintain any insurance for the Project or for the benefit of the Design-Builder and any other Project participants. It is the intent of the Agreement that Design-Builder will purchase and implement a Contractor Controlled Insurance Program (CCIP) insurance program to protect the construction Work and to insure against liabilities of Design Builder and all Subcontractors or suppliers at any level. Such insurance shall be of the kinds and have limits of liability and coverage not less than the minimum limits specified in this Exhibit F, "Insurance for Phase 2 Services," or as required by law, whichever is greater. Owner's separate contractors that may be working at the Project Site contemporaneously with Design-Builder will include Design-Builder as an additional insured, subject to identification of such contractors to Design-Builder by Owner.
- b. Design-Builder shall, without limiting its obligations or liabilities, procure, pay for, and maintain such insurance as is required by law and as is required by the Agreement and the other Contract Documents to protect Design-Builder and Owner from claims for damages for bodily injury, including without limitation death, and from claims for property damage, including the loss of use resulting therefrom, which may arise out of or result from Design-Builder's or its representatives', consultants', Subcontractors', agents', or employees' operations under the Agreement. Such insurance shall be of the kinds and have limits of liability and coverage not less than the minimum limits specified in this Exhibit F, "Insurance for Phase 2 Services," or required by law, whichever is greater. Owner makes no representation as to the adequacy or sufficiency of such coverage. The requirements of this Exhibit F,

“Insurance for Phase 2 Services,” shall in no way be construed to limit or eliminate the liability of Design-Builder that arises from performance of construction Work under the Master Agreement. Design-Builder is strictly responsible for any losses, claims, and costs of any kind which exceed Design-Builder's limits of liability, or which may be outside the coverage scope of the policies.

- (1). The obligations of Design-Builder under this Exhibit F, “Insurance for Phase 2 Services,” shall not extend to liability arising out of the negligence of Owner or its respective representatives, consultants, subcontractors, agents and/or employees. The obligations of Design-Builder under this Exhibit F, “Insurance for Phase 2 Services,” shall not extend to liability arising out of professional services, unless performed by Design-Builder (including defects in design) and/or its Design Consultants.
- (2). The insurance required by this Exhibit F, “Insurance for Phase 2 Services,” shall be provided by an insurer approved by Owner, licensed to do such business in the State of North Carolina, and on terms approved by Owner. All insurance companies utilized by Design-Builder shall have a minimum rating of A- and Class VII as evaluated by the most current A M Best Rating Guide. All agents and brokers of Design-Builder’s insurers shall hold valid licenses from the State of North Carolina. Design-Builder shall furnish to Owner a certificate or certificates of insurance for its Subcontractors in a form satisfactory to Owner contemporaneously with the executed contracts with Subcontractors. Upon request of Owner, Design-Builder shall provide Owner with redacted copies of the insurance policies required by this Exhibit F, “Insurance for Phase 2 Services,” including without limitation declaration pages, conditions, exclusions and additional insured endorsements, and shall confirm that each policy premium has been paid for the required term of the Agreement. Certificates of insurance shall be signed by a person authorized by that insurer to bind coverage on its behalf.
- (3). All insurance policies required by this Exhibit F, “Insurance for Phase 2 Services,” shall provide that the insurance carrier shall not initiate cancellation, non-renewal, or material limitation of coverage, without at least thirty (30) days prior written notice to Owner (or 10 days for cancellation due to non-payment of premium). A Direct Notice of Cancellation endorsement is to be attached to corresponding certificates of insurance. In the event of any such cancellation, non-renewal or material limitation, Design-Builder is obligated to replace such insurance within seven (7) days without a gap in coverage and file accordingly such notice with Owner and other interested parties. Failing immediate receipt of evidence of such replacement of insurance, Owner reserves the right to procure such insurance as Owner considers desirable and Design-Builder shall pay or reimburse the cost of the premium arising therefrom without any rights to seek subsequent reimbursements from Owner.
- (4). No action or inaction on the part of Owner shall in any way change or reduce Design-Builder's responsibilities and liabilities under the Agreement. Self-funded, policy fronting, or other non-risk transfer insurance programs or mechanisms are not acceptable without prior written approval of Owner. Full disclosure of such a program must be made prior to Design-Builder’s

commencing mobilization to the Project Site. Failure to make a full disclosure constitutes a material breach of the Agreement.

- (5). Design-Builder shall name Owner as additional insured under all its insurance contracts that it is obligated by the Agreement and the other Contract Documents to procure and maintain during the construction phase of the Project (except workers' compensation, employers liability, and professional liability) with respect to and including liability for bodily Injury and property damage, including the loss of use resulting therefrom, caused, in whole or in part, by the willful misconduct, negligent act, or omission of Design-Builder or those acting on the Design-Builder's behalf (including without limitation Subcontractors) under the Agreement, products and completed operations of Design-Builder, and automobiles owned, hired, leased, or borrowed by Design-Builder. Additional insured status is not required to extend to liability caused by Owner's negligence.
- (6). For any claims related to this Project, Design-Builder's Contractor Controlled "wrap up" insurance or self-insurance shall be primary and non-contributory with respect to Owner's insurance to the extent of Design-Builder's liability under this Exhibit F, "Insurance for Phase 2 Services." Any insurance or self-insurance maintained by Owner shall be excess and non-contributory with respect to Design-Builder's insurance
- (7). All policies of insurance required under this Exhibit F, "Insurance for Phase 2 Services," shall contain a clause or endorsement waiving rights of subrogation against Owner.
- (8). Limits of coverage are not to be amended by deductible clauses of any nature without the express written consent of Owner. Design-Builder shall be solely responsible for any deductible or self-insured retention assumptions that may exist in any insurance policies required under the Agreement and the other Contract Documents. In addition, Design-Builder shall be responsible and shall not be reimbursed for any losses arising from any risk or exposure not insured as required by this Exhibit F, "Insurance for Phase 2 Services," or not covered as a result of normal policy exclusion or that falls within the self-insured retention if Design-Builder is self-insured.
- (9). Design-Builder's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (10). The claim provisions in Design-Builder's insurance policies must specifically state the insurance company or Design-Builder's third-party administrator. If self-insured, Design-Builder has both the right and the duty to adjust a claim and provide defense.
- (11). If any of the policies procured pursuant to this Exhibit F, "Insurance for Phase 2 Services," contain any warranty stating that coverage is null and void (or words to that effect), or if Design-Builder does not comply with the most stringent regulations governing the construction Work, then the policies shall be modified so that coverage shall be afforded in all

cases except for Design-Builder's willful or intentional non-compliance with applicable government regulations.

- (12). Any failure by any person to comply with reporting or other provisions of any insurance policy, including without limitation breach of warranties, shall not affect coverage provided to Owner and its respective representatives, officials, and employees. Builder's Risk coverage does not include a Separation of Insured's provisions.
- (13). The insolvency or bankruptcy of the insured or of the insured's estate shall not relieve the insurance companies of their obligations under these policies. Any clauses to the contrary are unacceptable and must be stricken.
- (14). Reserved.
- (15). The construction Work under the Agreement shall not commence until Design-Builder has verified to Owner that all required insurance coverages as described in this Exhibit F, "Insurance for Phase 2 Services," have been obtained and further verified that appropriate certificates of insurance have been approved in writing by Owner. Owner's review and/or acceptance of such certificates of insurance shall neither relieve Design-Builder of any requirement to provide the specific insurance coverages set forth herein nor shall it constitute a waiver or acknowledgment of satisfaction of the specific insurance coverage requirements set forth in the Agreement and the other Contract Documents.
- (16). The Description of Operations/Locations/Vehicles section in the certificates of insurance should include: COR Department/Division, Name of Project or Services, Projected Dates of Contract

The Certificate Holder address should read:

City of Raleigh

Post Office Box 590

Raleigh, NC 27602-0590

- c. Worker's Compensation and Employer's Liability: Design-Builder shall ensure that It and all of its Subcontractors shall procure and maintain Workers' Compensation Insurance in the amount and type required by the State of North Carolina and federal law for all employees employed under the Agreement who may come within the protection of Workers' Compensation Laws and covering all operations under the Agreement whether performed by Design-Builder or by its Subcontractors. In jurisdictions not providing complete Workers' Compensation protection, Design-Builder shall ensure that it and its Subcontractors shall maintain employers' liability insurance in an amount, form, company, and agency satisfactory to the State of North Carolina and Owner for the benefit of all employees not protected by Workers' Compensation Laws and covering all operations under the Agreement whether performed by Design-Builder or by its Subcontractors.

(1). Design-Builder shall pay such assessments as will protect Design-Builder and Owner from claims under the Workers' Compensation Laws, workers' or workmen's compensation disability benefits, and other similar employee benefit acts. The current Experience Modification shall be indicated on the certificate of insurance.

(2). Coverage under this Exhibit F, "Insurance for Phase 2 Services," shall be as required by federal and state Workers' Compensation and Occupational Disease Statutes, and shall have minimum limits as follows:

- Coverage A: Statutory, State of North Carolina
- Employers' Liability: Each Accident: \$1,000,000
- Disease - Policy Limit: \$1,000,000
- Disease - Each Employee: \$1,000,000

(3). Such insurance shall include Voluntary Compensation coverage, a Waiver of Subrogation in favor of Owner, as well as other endorsements that may be required by applicable jurisdictions, i.e., United States Longshoremen and Harbor Workers Act and maritime coverage (Jones Act).

d. Automobile Liability Insurance:

Design-Builder shall ensure that it and all of its Subcontractors procure and maintain automobile insurance against liability for bodily injury, death and property damage as described below, that may arise out of or result from the construction Work being performed under the Agreement, and will provide protection from claims which may arise out of or result from Design-Builder's performance of the construction Work and Design-Builder's other obligations under the Agreement, whether such performance of the construction Work is by Design-Builder; by any representative of Design-Builder; by any of Design-Builder's Subcontractors; by anyone employed directly or indirectly by Design-Builder or any of its Subcontractors; or by anyone else for whose acts Design-Builder or any of its Subcontractors may be liable.

(1). This policy of insurance shall carry the following minimum Limit of Liability:

Combined Single Limit - \$1,000,000

(2). The policy of insurance shall contain or be endorsed to include the use of any automobile, including owned, hired, and non-owned automobile liability.

(3). If the policy contains a warranty stating that coverage is null and void (or words to that effect) if the transporter does not comply with the most stringent regulations governing the construction Work, the policy shall be modified so that coverage shall be afforded in all cases except for the transporter's willful or intentional non-compliance with applicable government regulation.

e. General Liability:

(1). Design-Builder shall ensure that it and all of its Subcontractors procure and maintain commercial general liability insurance against liability for bodily injury, death and property damage, including the loss of use resulting therefrom, as described below, that may arise out of or result from the Phase 2 Services being performed under the Agreement, and will provide protection from claims which may arise out of or result from Design-Builder's performance of the Phase 2 Services and Design-Builder's other obligations under the Agreement, whether such performance of the Phase 2 Services is by Design-Builder; by any representative of Design-Builder; by any of Design-Builder's Subcontractors; by anyone employed directly or indirectly by Design-Builder or any of its Subcontractors; or by anyone else for whose acts Design-Builder or any of its Subcontractors may be liable.

(2). This policy must be written on an occurrence basis, with the following minimum Limits of Liability:

• General Aggregate per project	\$10,000,000
• Products/Completed Operations Aggregate	\$10,000,000
• Bodily Injury & Property Damage/each occurrence	\$10,000,000
• Personal Injury and Advertising Injury	\$10,000,000

(3). The policy of insurance shall contain or be endorsed to include the following:

Blanket Contractual Liability covering the DESIGN-BUILDER's indemnification obligations under this Master Agreement in accordance with ISO policy form CG 00 01. Modifications to the standard provisions will not be acceptable if they serve to reduce coverage for the following:

- Premises/Operations Liability
- Explosion, collapse, and underground fault
- Independent Contractors and Independent Subcontractors' coverage
- Broad Form Property Damage
- Personal Injury
- Cross Liability/Severability of Interest clause
- Employer's Stop-Gap Liability endorsement, If applicable
- Amendment of the Pollution Exclusion Endorsement to allow coverage for bodily injury or property damage caused by heat, smoke, or fumes from a hostile fire
- Designated General Aggregate Limit Endorsement if required by the Supplementary Conditions.

Design-Builder shall ensure that it and all of its Subcontractors shall provide Owner additional insured endorsements CG 20 10 10 01 or CG D3 61 03 05 for ongoing and premise operations and CG 20 37 10 01 for completed operations, except as may otherwise be approved by Owner to meet MWBE goals.

Umbrella or Excess Liability insurance coverage written on an occurrence policy form at least as broad as the primary General Liability policy may be used to meet or exceed the minimum insurance limits under the Agreement using a follow-form coverage form for all layers and coverage shall remain continuously in effect and without interruption from the date of commencement of the construction phase of the Agreement until six (6) years from Substantial Completion and shall include coverage for exposures arising from operations that have been completed. Design-Builder shall furnish Owner and each other additional insured listed in the Agreement to whom the certificates of insurance have been issued, evidence satisfactory to Owner of continuation of such insurance at the date of Substantial Completion and each year thereafter.

f. Property Insurance:

- (1). Design-Builder shall be responsible for purchasing and maintaining Builder's Risk insurance to protect the Project from perils of physical loss. The Builder's Risk policy must be an "All Risk" (Special Perils) coverage form, have no coinsurance penalty provisions, and be endorsed to increase the limit of insurance for all Change Orders. The Builder's Risk policy shall contain no exclusion for theft, collapse, or damage to foundations or underground structures, pipes, or conduits.
- (2). The insurance required by this Subparagraph (f) shall provide for the full cost of replacement for the construction Work at the time of any loss. The insurance shall insure against the loss from the perils of fire and all risk coverage for physical loss or damage due to theft, vandalism, collapse, malicious mischief, transit, flood, earthquake, testing, damages resulting from defective design, negligent workmanship, or defective material. Owner and all tiers of Subcontractors shall be additional insureds on the Builder's Risk policy. Design-Builder shall be the named insured (responsible for premium payments, policy changes, etc.). Design-Builder shall increase the coverage limits as necessary to reflect changes in the estimated replacement cost of the Project.
- (3). Cold Testing will be automatically included in the policy. Hot Testing exposures will apply to the Project, and as such this exposure is required to be added to the Builder's Risk insurance policy.
- (4). WAIVERS OF SUBROGATION: Owner and Design-Builder waive all rights against each other and any of their Subcontractors, Sub-Subcontractors, agents and employees, each of the other, for damages caused by fire or other causes of loss to the extent covered by property insurance pursuant to this Subparagraph (f) or other property insurance applicable to the construction Work. The Owner or Design-Builder, as appropriate, shall require the Subcontractors, separate Sub-Subcontractors, agents, and employees of any of them, by appropriate agreements, written where legally required for validity, similar waivers each in favor of other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that

person or entity would otherwise have a duty of indemnification, contractual or otherwise; did not pay the insurance premium directly or indirectly; and whether or not the person or entity had an insurable Interest in the property damaged.

g. Aviation/Aircraft: If required by Owner, Design-Builder shall ensure that the operator of an aircraft of any kind, including without limitation drones and/or other forms of unmanned aircraft, utilized in the performance of the Agreement, must maintain liability insurance covering bodily injury and property damage on a combined single limit basis, each occurrence limit and in the aggregate (including passenger liability) with liability limits in an amount not less than Five Million and 00/100 Dollars (\$5,000,000). If non-employee passengers are carried, the policy procure must not include a per-passenger sublimit. Prior to commencing operations, the operator of any aircraft covered by this Subparagraph (g) must provide Owner with a certificate of insurance naming Owner as additional insured on a primary and non-contributory basis. The operator of the aircraft and its insurer(s) must hold Owner harmless and waive subrogation with respect to damage to the aircraft. If the aircraft is to be used to perform lifts at the Project Site, a "slung cargo" endorsement must be included to cover the full replacement value of any equipment being lifted.

h. Professional Liability:

(1). Design-Builder shall ensure that it and all of its Design Consultants and Subcontractors provide and maintain professional liability insurance coverage to protect Owner from liability arising out of or resulting from the performance of professional services, if any, by Design-Builder, its Design Consultants, and/or its Subcontractors under the Agreement and any of the other Contracts Documents or any amendments thereto. Such coverage shall be in the sum of not less than Ten Million Dollars (\$10,000,000.00).

(2). Throughout the term of the Agreement, the professional liability policy shall contain full prior acts coverage. Coverage should be continuously maintained during the term of the Agreement. Coverage shall not include any exclusions or limitations related to (i) scope of professional services; (ii) delays in Project completion or cost overruns; (iii) who is authorized to notify the carrier of a claim or a potential claim; and (iv) mold, fungus, asbestos, pollutants, or hazardous substances.

(3). Claims-made coverage is permitted provided the policy retroactive date is continuously maintained prior to the Effective Date of the Agreement and coverage is continuously maintained during all periods in which Design-Builder performs professional services for Owner and for an additional period of six (6) years after termination of the Agreement or the last date such services are performed, whichever comes later.

i. Pollution Liability:

(1). Design-Builder shall ensure that it and all of its Subcontractors provide and maintain pollution legal liability (PLL) insurance coverage. Coverage must include Asbestos Legal Liability and Errors and Omissions due to potential environmental hazards with limits no less than

\$5,000,000 per occurrence or claim, and \$10,000,000 policy aggregate. Coverage shall apply to the scope of work described under the Agreement including transportation and shall include coverage for bodily injury, property damage (including loss of use of damaged property), clean-up costs, mold, defense costs, and investigative costs. Design-Builder shall maintain Completed Operations coverage for six (6) years following completion of construction Work.

- (2). Claims Made Policies: If any coverage required is written on a claims-made coverage form, the retroactive date must be shown, and this date must be before the Effective Date of the Agreement or the beginning of the construction Work. Insurance must be maintained, and evidence of insurance must be provided for at least six (6) years after completion of the construction Work.
  - (3). If coverage is canceled or non-renewed, and not replaced with another claims made policy form with a retroactive date prior to the Effective Date of the Agreement or date of commencement of the construction phase of the Agreement, Design-Builder must purchase an extended period coverage for a minimum of five (5) years after completion of construction Work. A copy of the claims reporting requirements must be submitted to Owner for review. Pollution Liability shall not contain lead-based paint or asbestos exclusions.
- j. Deductibles and Self-Insured Retentions: Any deductible or self-insured retention, where applicable to loss covered by any insurance policy required by this Exhibit F, "Insurance for Phase 2 Services," is to be borne by Design-Builder and/or its Subcontractors.
  - k. Proof of Coverage: Design-Builder shall ensure that it and all its Subcontractors furnish Owner with satisfactory proof of carriage of the insurance required above before written approval of Design-Builder's insurance for its Subcontractors is granted by Owner.
  - l. Claims:
    - (1). Design-Builder shall notify Owner within twenty-four (24) hours of any claims or alleged claims received by Design-Builder, or by any of its Subcontractors, that is covered by any of the policies of insurance required of Design-Builder and/or its Subcontractors under the Agreement. Design-Builder shall provide a written copy of the claim or alleged claim to Owner within three (3) days of Design-Builder's receipt of the claim or alleged claim. If a claim is settled to the satisfaction of the claimant, Design-Builder shall submit a copy of the claimant's release to Owner.
    - (2). If a claim or alleged claim is rejected by Design-Builder and/or its insurance company, Design-Builder shall immediately report this fact to Owner. Should thirty (30) days elapse after the claim or alleged claim has been received by Design-Builder, and Design-Builder is not able to report a settlement or rejection of the claim, it shall report to Owner the steps being taken with respect to the claim. Without limiting the foregoing, Design-Builder shall notify Owner in

writing of any paid or incurred claims which may impair annual aggregate or general liability insurance coverage limits.

m. Contractor as Joint Venture:

If Design-Builder is completing this Project on a joint venture basis, both joint venture partners shall retain all liabilities assumed by the Agreement, individually and collectively, and will be listed as the named insured on all required policies. Liabilities may include, but are not limited to, all premiums due, deductibles/self-insured retentions, coinsurance provisions, claim provisions, insurance policy conditions, and indemnification provisions hereunder.

- n. Owner may elect to purchase certain insurance, specifically Pollution Legal Liability and/or Builder's Risk Insurance covering Owner, Design-Builder, all Subcontractors, and all Sub-Subcontractors. In this event, Design-Builder and its Subcontractors shall not be required to purchase insurance provided by Owner. If Owner elects to purchase either Pollution Legal Liability and/or Builder's Risk Insurance, the Agreement shall be amended accordingly. Design-Builder shall provide the costs of the "Pollution Legal Liability" and "Builder's Risk Insurance" coverages to Owner in order to facilitate Owner's decision whether to obtain these coverages in lieu of Design-Builder procuring them.
- o. Owner may elect to purchase insurance covering Design-Builder, all Subcontractors, and all Sub-Subcontractors through an Owner-Controlled Insurance Program (OCIP) sponsored by Owner. Under such program, Design-Builder and its Subcontractors shall not be required to purchase insurance as provided by this Exhibit F, "Insurance for Phase 2 Services." If Owner is participating in an OCIP program, the Agreement shall be amended to reflect the program's terms in lieu of this Exhibit F, "Insurance for Phase 2 Services."