

CCIP ADDENDUM

1. **Overview.** The “**Contractor**” has arranged with Aon Risk Services South, Inc., (the “**CCIP Administrator**”) to be insured under its Contractor Controlled Insurance Program (“**CCIP**”). The CCIP is more fully described in the insurance manual (the “**CCIP Insurance Manual**”) for this project. A party performing labor or services at the designated Project site is eligible to enroll in the CCIP, unless such party is an Excluded Party (as defined below). The CCIP will provide to Enrolled Parties (as defined below) Workers’ Compensation and Employer’s Liability, Commercial General Liability, and Excess Liability Insurance, as summarily described below, in connection with the performance of the Work (the “**CCIP Coverages**”). Participation in the CCIP is mandatory, but not automatic. Subcontractors of every tier must follow the enrollment procedures set forth herein.

2. **Enrolled Parties and Their Insurance Obligations.** CCIP Coverages shall cover Enrolled Parties. Enrolled Parties are: the Contractor and all of its eligible Subcontractors of all tiers that enroll in the CCIP, and such other persons or entities required by the contract between the Owner and Contractor (the “**Contract**”) or as Contractor, in its discretion, or Owner (subject to Contractor’s approval, such approval not to be unreasonably withheld, conditioned or delayed) may designate (each such party who is enrolled/insured under the CCIP is referred to as an (“**Enrolled Party**”). To the extent Owner desires to designate a party to be enrolled in the CCIP, Owner shall notify Contractor in writing, in which event Contractor (with the assistance of the CCIP Administrator) shall determine and notify Owner (a) whether such designated party may be an Enrolled Party and (b) the cost to Owner of enrolling such designated party in the CCIP.

While the CCIP is intended to provide broad coverages and high limits, the CCIP is not intended to meet all of the insurance needs of the subcontractors of any tier. In addition to the CCIP, Enrolled Parties shall obtain and maintain, and shall require each of their subcontractors of all tiers to obtain and maintain, the insurance coverages specified in Section 10, below, and in the CCIP Insurance Manual.

3. **Excluded Parties and Their Insurance Obligations.** Except as otherwise set forth herein or in the Contract, the CCIP Coverages do not cover the following (“**Excluded Parties**”):

- (a) Hazardous materials remediation, removal and/or transport companies, and their consultants, including but not limited to asbestos abatement, and lead abatement subcontractors;
- (b) Architects, surveyors, engineers (including soil testing engineers) and their consultants that do not perform any actual labor at the Project site;
- (c) Blasting or any blasting operations;
- (d) Vendors, suppliers, fabricators, material dealers, truckers, haulers, drivers and others that merely transport, pick up, deliver, or carry materials, personnel, parts

or equipment, or any other items or persons to or from the Project site that do not perform any actual labor on the Project site;

- (e) Unskilled Temporary Laborers or Unskilled Temporary Labor agencies;
- (f) Subcontractors who do not perform any actual labor on the Project site; and
- (g) Any parties or entities not specifically identified in this Exhibit or the Contract, or such parties or entities excluded by Contractor, but only to the extent such parties or entities are approved by Owner in writing, even if they are otherwise eligible.

Excluded Parties and parties no longer enrolled in, or covered by, the CCIP shall obtain and maintain, and shall require each of their subcontractors of all tiers to obtain and maintain, the insurance coverage set forth in the Section 10, below.

4. CCIP Insurance Policies Establish CCIP Coverages. The CCIP Coverages and exclusions summarized in this Exhibit, and in the other Contract Documents, are set forth in full in their respective insurance policy forms. The summary descriptions of the CCIP Coverages in this Exhibit, or in the CCIP Insurance Manual, are not intended to be exhaustive, or to alter or amend any provision of the actual CCIP Coverages. In the event any provision of this Exhibit, the CCIP Insurance Manual, the Contract Documents, or the summary below conflicts with the CCIP insurance policies, the provisions of the actual CCIP insurance policies shall govern.

5. Summary of CCIP Coverages. CCIP Coverages shall apply only to those operations of each Enrolled Party performed at the Project site in connection with the Work, and only to eligible parties who are enrolled in the CCIP. CCIP Coverages shall not apply to ineligible parties, even if they are erroneously enrolled in the CCIP. An Enrolled Party's operations away from the Project site, including product manufacturing, assembling, or otherwise, shall only be covered if such "off-site" operations are identified, and are dedicated solely to the Project. CCIP Coverages shall not cover "off-site" operations until receipt by subcontractor of any tier of written acknowledgment of such coverage from the CCIP Administrator. The CCIP shall provide only the following insurance to Enrolled Parties:

Summary Only

(a) Workers' Compensation/Employer's Liability Insurance

Workers' Compensation	Statutory Limit
Employer's Liability	
Bodily Injury By Accident - Each Accident	\$1,000,000
Bodily Injury By Disease - Each Employee	\$1,000,000
Bodily Injury By Disease - Policy Limit	\$1,000,000

(b) Commercial General Liability Insurance Equivalent to ISO Occurrence Form

Each Occurrence	\$2,000,000
Personal and Advertising Injury	\$2,000,000
General Aggregate/all insureds	\$4,000,000
Products-Completed Operations Aggregate/all insureds	\$4,000,000
Medical Expense Limit (Any One Person)	\$ 10,000
Fire Legal Liability (Any One Fire)	\$ 300,000

(c) Excess Liability Insurance

Each Occurrence	\$50,000,000
General Aggregate/all insureds	\$50,000,000
Products-Completed Operations Aggregate/all insureds	\$50,000,000

6. Recommended Subcontractor Actions. The CCIP, as outlined, is intended to afford broad coverage and relatively high limits of liability, but may not provide all the insurance needed. Subcontractors and lower-tier subcontractors should have their insurance agent, broker or consultant review the coverage limits outlined herein for adequacy against their existing program. In order to eliminate duplicate insurance premiums, the subcontractors and lower-tier subcontractors should amend their insurance program to recognize coverage provided to them under this CCIP. Subcontractors and lower-tier subcontractors should ensure that their own corporate insurance programs apply excess to the CCIP. Any insurance for higher limits or other coverage that are required by Subcontract, by law, or needed for subcontractor's or lower-tier subcontractor's protection must be purchased separately. Any additional premiums, deductibles or self-insured retention under any additional coverage shall be born by the subcontractor or lower-tier subcontractor.

7. Contractor's Insurance Obligations. Contractor shall pay the costs of premiums for the CCIP Coverages. Contractor will receive or pay, as the case may be, all adjustments to such costs, whether by way of dividends, retroactive adjustments, return premiums, other moneys due, audits, or otherwise. Subcontractor hereby assigns, and shall ensure that each of its subcontractors of all tiers also assign to Contractor, the right to receive all such adjustments. Contractor assumes no obligation to provide insurance other than that specified in this Exhibit, the CCIP Insurance Manual and in the other Contract Documents. Contractor's furnishing of CCIP Coverages shall in no way relieve or limit, or be construed to relieve or limit, subcontractors of any tier of any responsibility, liability, or obligation imposed by the Contract Documents, the CCIP Insurance Policies, or by law, including without limitation any indemnification obligations which subcontractor of any tier, owes to Contractor thereunder. Contractor reserves the right at its

option, without obligation to do so, to furnish other insurance coverages of various types and limits, provided that such coverage is not less than that specified herein.

8. Subcontractor's CCIP Obligations. Subcontractor shall:

(a) Enroll in the CCIP within five (5) days of receipt of a Notice to Proceed, shall maintain enrollment in the CCIP, and shall ensure that its eligible lower-tier subcontractors enroll in the CCIP, and maintain enrollment in the CCIP, within five (5) days of their receipt of a Notice to Proceed, and prior to the commencement of Work at the Project site.

(b) Fully comply with all of the administrative, claims, safety, insurance, and all other requirements outlined in this Exhibit, Instructions to Bidders, CCIP Insurance Manual, the CCIP Insurance Policies, or elsewhere in the Contract Documents.

(c) Incorporate the terms of this Exhibit into all subcontract agreements.

(d) Provide to each of its subcontractors of all tiers a copy of the CCIP Insurance Manual and ensure such subcontractors' compliance with the provisions of the CCIP Insurance Policies, the CCIP Insurance Manual, this Exhibit, Instructions to Bidders, and the Contract Documents. The failure of subcontractor to provide each of its eligible lower-tier subcontractors with a copy of the same shall not relieve subcontractor, or any such lower-tier subcontractors of any of the obligations contained therein.

(e) Acknowledge, and require all of its lower-tier subcontractors to acknowledge, in writing, that Contractor and the CCIP Administrator are not agents, partners, or guarantors of the insurance companies providing the CCIP Coverages (each such insurer is an "CCIP Insurer"), that neither the Contractor nor the CCIP Administrator is responsible for any claims or disputes between or among subcontractor, its lower-tier subcontractors, and any CCIP Insurer(s), and that neither Contractor nor the CCIP Administrator guarantees the solvency, or the availability of limits, of any CCIP Insurer(s). Any type of insurance coverage or limits of liability in addition to the CCIP Coverages that subcontractor of any tier require for its or their own protection, or that is required by applicable laws or regulations, shall be subcontractor's sole responsibility and expense, and shall not be billed to Contractor.

(f) Comply, and require all of its lower-tier subcontractors to comply with CCIP Administrator's instructions for enrolling in the CCIP and reporting on-site payroll and work-hours.

(g) Cooperate fully with the CCIP Administrator and the CCIP Insurers, as applicable, in its or their administration of the CCIP.

(h) Provide, within five (5) business days of Contractor's or the CCIP Administrator's request, all documents or information as requested. Such information may include, but may not

be limited to, payroll and work-hour records, certified copies of insurance coverages, declaration pages of coverages, rating pages, certificates of insurance, underwriting data, prior loss history information, safety records or history, OSHA citations, or such other data or information as Contractor, the CCIP Administrator, or CCIP Insurers may request in the administration of the CCIP, or as required in the CCIP Insurance Manual.

(i) Subcontractor shall institute a modified return to work program for any injured employee who is covered or entitled to coverage under the Workers' Compensation insurance provided in the CCIP.

9. Net-Bid. Subcontractor and each lower-tier subcontractor shall fully and accurately complete Aon Form 3, which is set forth in Instructions to Bidders and CCIP Insurance Manual, and submit the same to Contractor and/or the CCIP Administrator with any bid submitted for the Project. Subcontractor and its lower-tier subcontractors shall **exclude** the Costs of CCIP Coverages in their base bids for the Project. The "**Costs of CCIP Coverages**" is defined as the amount of subcontractor's and any lower-tier subcontractors' reduction in insurance costs due to eligibility for CCIP Coverages. The Costs of CCIP Coverages shall include insurance premiums, related taxes and assessments, markup on the insurance premiums and losses retained through the use of a self-funded program, self-insured retention or deductible program. The Cost of CCIP Coverages shall also include expected losses within any retained risk (first dollar cost). Subsequent change order proposals shall be submitted in the same manner, with the Cost of CCIP Coverages **excluded** in the base change order price.

10. Additional Insurance Required From All Subcontractors. In addition to the insurance provided under the CCIP, Subcontractor shall obtain and maintain the following insurance, as set forth in this Section 10, from companies acceptable to Contractor. The limits and types of insurance required by this Section 10 are the minimums required and shall not relieve, reduce or limit the liability of the Subcontractor.

(a) Subcontractor shall furnish a certificate of insurance, and the appropriate endorsements, satisfactory to Contractor, from each insurance company providing coverage to Subcontractor. The certificate shall show the required insurance in force and state that the insurance will not be cancelled, non-renewed or materially changed except after providing at least thirty (30) days actual, written notice to Contractor or longer if required by the Contract Documents. Contractor shall have the right, but not the obligation, to review all of Subcontractor's insurance policies applicable to the Project.

(b) With respect to the insurance required to be furnished by Subcontractor under this Section 10, including the Workers' Compensation, Employers Liability, General Liability, Automobile Liability, and Excess Liability policies, Subcontractor agrees to waive all rights of subrogation against the Contractor, the Owner, and their respective officers, directors, employees, affiliates and subsidiaries, and any other entity(s) or person(s) required by the contract between Contractor and Owner.

(c) Subcontractor shall immediately advise Contractor, in writing, of the facts and details of every accident and personal injury occurring in connection with the Work and shall make available, if requested by Contractor, a copy of every accident report made to Subcontractor's insurance carrier(s).

(d) Before beginning any work on the project, Subcontractor shall cause Contractor, Owner, and their respective officers, directors, employees, affiliates and subsidiaries, and any other entity(s) or person(s) required by the contract between Contractor and Owner to be named as additional insureds under the Subcontractor's General Liability, Automobile Liability and Excess Liability Policy(s). Subcontractor and its insurer(s) agree that for liabilities and responsibilities assumed by the Subcontractor under this agreement, such policies shall be primary insurance for the Contractor and any other Additional Insured(s) and that the insurance maintained by the Contractor and other Additional Insureds shall be Excess and Non-Contributory.

10.1 Minimum Coverages Required

a. General Liability Coverage (Off-Site):

- (1) Occurrence Form
- (2) Premises Operations with no exclusion for Explosion, Collapse and Underground
- (3) Products and Completed Operations Hazard (3 yrs after completion of the Work)
- (4) Contractual Liability Coverage (a/k/a insured contract coverage)
- (5) Broad Form Property Damage Liability Coverage
- (6) Independent Contractors Coverage
- (7) Personal Injury Coverage with Contractual and Fellow employees Exclusion deleted.
- (8) Per Project General Aggregate Limit
- (9) Waiver of Subrogation
- (10) Additional Insured endorsement as set out in Section 10(d),
- (11) Amend Definition of Insured Contract when working within 50 foot of a railroad
- (12) Unintentional Errors & Omissions
- (13) Incidental Medical Malpractice
- (14) 30 Days Notice of Cancellation

b. Automobile Liability Coverage (On-Site & Off-Site):

- (1) Comprehensive Form
- (2) Any Auto "Symbol 1"
- (3) Waiver of Subrogation
- (4) Hired Autos as Autos Specified as Covered Autos You Own

- (5) Employees as Insureds
- (6) Endorsement for Motor Carrier Act MCS-90 if transporting hazardous materials
- (7) 30 Days Notice of Cancellation

c. Workers' Compensation & Employers Liability Coverage (Off-Site):

- (1) Waiver of Subrogation
- (2) Voluntary Compensation – "If Any" Basis
- (3) USL&H Act – If required
- (4) Maritime/Jones Act if working on water
- (5) Unintentional Errors & Omissions
- (6) 30 days Notice of Cancellation

d. Excess Liability Coverage (Must cover EL, GL and AL)

- (1) Follow-Form

For any subcontractor or lower-tier subcontractor Not Enrolled in the CCIP, minimum coverages required in 10.1a, 10.1c, and 10.1d above must apply to all operations, both on and off the project site.

10.2 Minimum Limits of Liability Required

a. General Liability

- (1) \$1,000,000 Each Occurrence
- (2) \$1,000,000 Personal Injury/Advertising Injury
- (3) \$2,000,000 General Aggregate
- (4) \$2,000,000 Products/Completed Operations Aggregate
- (5) \$ 50,000 Fire Damage (any one fire)
- (6) \$ 5,000 Medical Expense (any one person)

b. Automobile Liability

- (1) \$1,000,000 Combined Single Limit for Bodily Injury and Property Damage (Each Accident)

c. Workers' Compensation

- (1) Statutory Limits

d. Employer's Liability

- (1) \$1,000,000 Each Accident
- (2) \$1,000,000 Each Employee
- (3) \$1,000,000 Policy Limit

e. Excess Liability (Must cover EL, GL and AL)

- (1) \$2,000,000 Each Occurrence
- (2) \$2,000,000 General Aggregate
- (3) \$2,000,000 Products/Completed Operations Aggregate

For any subcontractor or lower-tier subcontractor Not Enrolled in the CCIP, minimum coverages required in 10.2a, 10.2c, 10.2d. and 10.2e above must apply to all operations, both on and off the project site.

Subcontractor's failure to procure or maintain the insurance required by this Section 10, or to ensure that all of its lower-tier subcontractors of all tiers maintain the required insurance during the entire term of the Agreement shall constitute a material breach of this Agreement under which the Contractor may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to protect the Contractor's interests, and pay any and all premiums in connection therewith, and withhold or recover all monies so paid from subcontractor. Any other insurance or any increase of limits of liability not described herein which subcontractor or a lower-tier subcontractor of any tier requires for its or their own protection or pursuant to any statute shall be its own responsibility and expense.

11. Subcontractor's Representations and Warranties to Contractor. Subcontractor represents and warrants to Contractor, and shall use its best efforts to ensure that its lower-tier subcontractors of all tiers represent and warrant to Contractor that:

(a) All information they submit to Contractor, or to the CCIP Administrator, shall be accurate and complete.

(b) They have had the opportunity to read and analyze copies of the CCIP insurance policies that are on file in Contractor's office, and that they understand the CCIP Coverages. Any reference or summary in the Subcontract, this Exhibit, the CCIP Insurance Manual, or elsewhere in any other Contract Documents as to amount, nature, type or extent of CCIP Coverages and/or potential applicability to any potential claim or loss is for reference only. Subcontractor and its lower-tier subcontractors of all tiers have not relied upon said reference but solely upon their own independent review and analysis of the CCIP Coverages in formulating

any understanding and/or belief as to amount, nature, type or extent of any CCIP Coverages and/or its potential applicability to any potential claim or loss.

12. Audits. Subcontractor agrees that Contractor, the CCIP Administrator, and/or any CCIP Insurer may audit subcontractor's, or any of its lower-tier subcontractors' payroll and work-hour records, books and records, insurance coverages, insurance cost information, or any other information that subcontractor provides to Contractor, the CCIP Administrator, or the CCIP Insurers to confirm their accuracy and to identify insurance cost as required by section 9 of this agreement.

13. Contractor's Election to Modify or Discontinue the CCIP. Contractor may, for any reason, modify the CCIP Coverages, discontinue the CCIP, or request that subcontractor, or any of its lower-tier subcontractors, withdraw from the CCIP upon thirty (30) days written notice. Upon such notice subcontractor and/or one or more of its lower-tier subcontractors, as specified by Contractor in such notice, shall obtain and thereafter maintain during the performance of the Work, all of the CCIP Coverages (or a portion thereof as specified by Contractor). Such coverages shall be at Contractor's expense, but only to the extent of subcontractor's or lower-tier subcontractor's CCIP Insurance Deduct for the Cost of CCIP Coverages. The form, content, limits of liability, cost, and the insurer issuing such replacement insurance shall be subject to Contractor's approval.

14. Withholding of Payments. In the event of a Contractor audit of subcontractor's records and information as permitted in the Subcontract, this Exhibit, or other Contract Documents reveals a discrepancy in the insurance, payroll, work-hours, safety, or any other information required by the Contract Documents to be provided by subcontractor to Contractor, Contractor shall have the right to full deduction from the Subcontract Price/Subcontract Sum of all such insurance costs, and all audit costs. Audit costs shall include, but shall not be limited to, the fees of the CCIP Administrator, and the fees of attorneys and accountants conducting the audit and review. If the subcontractor, or its lower-tier subcontractors, fail to timely comply with the provisions of this Exhibit, Contractor may withhold any payments due to subcontractor or its lower-tier subcontractor(s) until such time as they have performed the requirements of this Exhibit.

15. Waiver of Subrogation. Where permitted by law, subcontractor hereby waives all rights of recovery by subrogation because of deductible clauses, inadequacy of limits of any insurance policy, limitations or exclusions of coverage, or any other reason against Owner, Contractor, the CCIP Administrator, its or their officers, agents, or employees, any other subcontractor or lower-tier subcontractor performing Work or rendering services on behalf of Contractor in connection with the planning, development and construction of the Project and any other entity(s) or person(s) required by the Contract. Subcontractor shall also require that all subcontractor maintained insurance coverage related to the Work include clauses providing that each insurer shall waive all of its rights of recovery by subrogation against Owner, Contractor, the CCIP Administrator, its or their officers, agents, or employees, any other subcontractor or lower-tier subcontractor performing Work or rendering services on behalf of

Contractor in connection with the planning, development and construction of the Project and any other entity(s) or person(s) required by the Contract. Where permitted by law, subcontractor shall require similar written express waivers and insurance clauses from each of its lower-tier subcontractors of every tier. A waiver of subrogation shall be effective as to any individual or entity, even if such individual or entity (a) would otherwise have a duty of indemnification, contractual or otherwise, (b) did not pay the insurance premium, directly or indirectly, and (c) whether or not such individual or entity has an insurable interest in the property damaged.

16. Duty of Care. Nothing contained in this Exhibit, or in the CCIP Insurance Manual, shall relieve subcontractor, or any of its lower-tier subcontractors, of their respective obligations to exercise due care in the performance of their duties in connection with the Work, and to complete the Work in strict compliance with the Contract Documents.

17. Conflicts. In the event of a conflict, the provisions of the CCIP insurance policies shall control; then the provisions of this Exhibit; then the remaining provisions of the Subcontract and its other related Contract Documents; then the provisions of the CCIP Insurance Manual.

18. Safety. Subcontractor shall fully comply with all safety requirements set forth in the Contract Documents. Subcontractor shall establish a safety program that, at a minimum, complies with all Federal, state, and local safety standards, and any Minimum Safety Standards established by Contractor for the Project.

19. Limitation. The CCIP insurance and the additional insurance requirements described in this Exhibit exist for the sole and exclusive benefit and protection of Contractor and the enrolled Subcontractors of any tier and any other entity(s) or person(s) required by the contract between Contractor and Owner. The CCIP insurance and additional required insurance described in this Exhibit are not intended to benefit any other parties including, without limitation, parties not covered by the CCIP, Excluded Parties or claimants (regardless of whether such claimant's claim(s) are covered by the CCIP and regardless of against whom such claimant makes claim(s)). Contractor is not responsible for enforcing any term of this Exhibit for the benefit of any party not covered by the CCIP.