

INSURANCE INFORMATION SHEET (Rev. January 2, 2009)

Project: Rosecrans Mixed Use
1005 Rosecrans Street
San Diego, CA 92005

Owner Oliver McMillan

SCC Job No. 2009-017

1. GENERAL

- 1.1. Send this requirement sheet and all attached insurance documents to your insurance broker for immediate compliance.
- 1.2. Your attention is directed to Section 3.18, "Indemnification" and Article 11, "Insurance and Bonds" of the General Conditions of the Prime (Owner) Contract for additional requirements.
- 1.3. NO PAYMENTS WILL BE RELEASED UNTIL THE CERTIFICATES ARE IN ORDER.
- 1.4. Certificates and endorsements must reference a specific job. "All Operations" certificates are not acceptable. The project name, project number and Owner information are noted above for your reference.
- 1.5. Furnish executed Certificate of Insurance within ten (10) calendar days of signing Subcontract Agreement, and prior to commencing any work.
- 1.6. Certificates and endorsements must be received and approved prior to any work being done by your forces on the above project.
- 1.7. All sub-subcontractors working on the jobsite must meet the same insurance requirements you do, prior to starting work on the site.
- 1.8. Insurance carriers must be rated "A-VIII" or better by AM Best's, and be admitted in the State of California.
- 1.9. A 30 day cancellation notice is required, and written or modified to a form that binds the insurer to provide it. For non-payment of premium, a 10 day notice is acceptable.

2. SPECIFIC COVERAGE

2.1. General Liability – Occurrence Form:

- 2.1.1. There must be an endorsement naming Sandstone Construction, the Owner, and any other entity required by the prime contract as additional insureds. This endorsement must also state that such coverage is primary and non-contributory with respect to the additional insureds.

- 2.1.2. The aggregate limits shall not be impaired except by occurrences on this project. Provide a separate General Aggregate limit for each project or location on which your forces perform work.
- 2.1.3. The General Liability policy shall not contain any exclusions regarding coverage for mold and/or fungus damage, claims or liability arising out the performance of your work. If policy contains such exclusion, a Contractor's Pollution Liability (Item 2.4) will be required.
- 2.2. Commercial Automobile Liability:
 - 2.2.1. The auto coverage shall be provided for any autos, hired autos, and non-owned autos.
- 2.3. Worker's Compensation and Employer's Liability:
 - 2.3.1. Statutory requirements must be met for Worker's Compensation insurance coverage.
 - 2.3.2. A Waiver of Subrogation in favor of Sandstone Construction, the Owner, and any other entity required by the prime contract must be attached to the certificate of insurance for Worker's Compensation and Employer's Liability.
- 2.4. Contractor's Pollution Liability:
 - 2.4.1. A certificate of insurance showing proof of Contractor's Pollution Liability insurance shall be provided if the Subcontractor's General Liability policy excludes coverage for mold or fungus claims, liability, or damage.
- 2.5. Design Errors and Omissions/Professional Liability Insurance:
 - 2.5.1. If you are required by the Contract Documents to furnish engineered drawings and calculations stamped by a qualified licensed design professional, the licensed design professional and the subcontractor (if they are separate entities) shall provide Design Errors and Omissions/Professional Liability insurance. The insurance must be provided in limits of not less than one million dollars (\$1,000,000) per claim and in the aggregate. The policy must be in place before design starts and must be maintained for four (4) years after completion of the project.
- 2.6. Installation Floater or Personal Property of Others Insurance:
 - 2.6.1. An Installation Floater or Personal Property of Others Insurance shall be provided if you are storing project materials and/or equipment at your company site, in a bonded warehouse, on the jobsite, or in-transit to the jobsite. The coverage must be in amounts to provide replacement of goods stored, and the policy shall include a Waiver of Subrogation with Sandstone Construction and the Owner named as loss payees.
- 2.7. Suppliers Insurance:
 - 2.7.1. Material and/or equipment suppliers (furnish only) who receive a purchase order from Sandstone Construction shall provide proof of \$2,000,000 Products Liability insurance coverage (aggregate and occurrence), naming Sandstone Construction and the Owner as additionally insured.
- 2.8. Subcontractor's Equipment:
 - 2.8.1. Subcontractor's Equipment at the jobsite shall be insured by an "all risk" contractor's equipment policy, and subcontractor shall provide proof of property coverage for such

equipment while it is in use at the jobsite. A Waiver of Subrogation in favor of Sandstone Construction, the Owner, and any other entity required by the prime contract must be attached to the certificate of insurance.

2.9. Clarifications and Stipulations:

- 2.9.1. Acceptance of any certificate of insurance or additional insured endorsement showing proof of the insurance coverage and limits required in the General Requirements and the Contract Documents does not constitute approval or agreement by Sandstone Construction that the insurance requirements have been met or that the insurance policies referenced on the certificate and endorsement are in compliance with the contractual requirements.

3. COVERAGE LIMITS:

General Liability---Commercial General Liability (occurrence-based)

General Aggregate	\$2,000,000
Products- Comp/Ops Agg	\$2,000,000
Personal & Adv Injury	\$1,000,000
Each Occurrence	\$1,000,000

Policy shall not contain exclusions for mold and/or fungus damage. If policy contains such an exclusion, provide Contractor's Pollution Liability.

Automobile Liability

Any Auto, Hired Autos, Non-Owned Autos - \$1,000,000 (combined single limit)

Workers' Compensation and Employer's Liability

Workers' Compensation	statutory coverage limits
Employer's Liability	\$1,000,000 (each accident)
\$1,000,000 (disease-policy limit)	\$1,000,000(disease-each employee)

Include a Waiver of Subrogation in favor of Sandstone Construction and Owner.

Contractor's Pollution Liability

Per Claim	\$1,000,000
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Provide CPL if CGL contains exclusion for mold and/or fungus damage.

Installation Floater or Personal Property of Others (if needed)

Replacement value of project-specific materials and/or equipment stored at the jobsite or in an approved location or facility (bonded warehouse), or your company site, or in transit to the jobsite. Policy shall be written on a "Special" Broad Perils Form, covering "all risks" of direct physical loss or damage to the property. Include Waiver of Subrogation naming Sandstone Construction and Owner as loss payees.

Subcontractor Equipment

Subcontractor's equipment shall be insured by an "all risk" contractor's equipment policy covering value of equipment used at jobsite. Include a Waiver of Subrogation in favor of Sandstone Construction and Owner.

Professional Liability Insurance

E&O and Professional Liability	\$1,000,000 (per claim, and in the aggregate)
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The above insurance requirements shall be considered minimum, and if there is a difference between these requirements and the Owner's requirements, the more stringent of the two shall apply.

If you have any questions, please contact:
George Bronstein (760-822-3277)

END OF INSURANCE INFORMATION