

EXHIBIT G
INSURANCE REQUIREMENTS
NASHOBA REGIONAL SCHOOL DISTRICT

PROJECT FUNDING AGREEMENT

EXHIBIT "G"

**MASSACHUSETTS SCHOOL BUILDING AUTHORITY
STANDARD CONSTRUCTION CONTRACT INSURANCE PROVISIONS FOR AN
OWNER-CONTRACTOR CONTRACT
(Alternate Form for Construction Manager at Risk on Page 6 of this Exhibit)**

The District shall include, at a minimum, the following language regarding insurance requirements in the Owner-Contractor contract. The District may impose additional insurance requirements provided that any such additional requirements shall not be inconsistent with the requirements imposed by the standard language set forth herein and further provided that, prior to issuing an invitation for bids for construction of the Project, the District shall give the Authority adequate written notice clearly describing any such additional requirements so that the Authority may, at its discretion, review and comment upon such additional requirements. Any such additional requirements may be set forth in Section 8 of the Insurance Requirements below. It shall be the sole responsibility of the District to determine whether additional insurance requirements are desirable or necessary for the Project and should be included in the Owner-Contractor contract.

INSURANCE REQUIREMENTS (Design-Bid-Build)

I. Insurance Generally.

A. The Contractor shall purchase and maintain insurance of the type and limits listed in this Article with respect to the operations as well as the completed operations of this Contract. This insurance shall be provided at the Contractor's expense and shall be in full force and effect for the full term of the Contract or for such longer period as this Article requires.

B. All policies shall be written on an occurrence basis and be issued by companies lawfully authorized to write that type of insurance under the laws of the Commonwealth with a financial strength rating of A- or better as assigned by A.M. Best Company, or an equivalent rating assigned by a similar rating agency acceptable to the Owner, or as otherwise acceptable to the Owner.

C. The Contractor shall submit three originals of each certificate of insurance, acceptable to the Owner, simultaneously with the execution of this Contract. Certificates shall show each type of insurance, insurance company, policy number, amount of insurance, deductibles and/or self-insured retentions, and policy effective and expiration dates. Certificates shall show the Massachusetts School Building Authority (hereinafter "Authority"), the Owner and anyone else the Owner may request as additional insureds as to all policies of liability insurance. Certificates shall specifically note the following:

- that the automobile liability, umbrella liability and pollution liability policies include the Authority and the Owner as additional insureds;
- that all policies include the coverage and endorsements in accordance with the terms and conditions as required by this Contract;
- that none of the coverages shall be cancelled, terminated, or materially modified unless and until thirty (30) days prior notice is given in writing to the Owner and the Authority;
- the Contractor shall submit updated certificates of insurance prior to the expiration of any of the policies referenced in the certificates so that the Owner shall at all times possess certificates indicating current coverage.

D. The Contractor shall file one certified, complete copy of all policies and endorsements with the Owner within sixty (60) days after Contract award. If the Owner is damaged by the Contractor's failure to maintain such insurance and to comply with the terms of this Article, then the Contractor shall be responsible for all costs and damages to the Owner and the Authority attributable thereto.

E. Termination, cancellation, or material modification of any insurance required by this Contract, whether by the insurer or the insured, shall not be valid unless written notice thereof is given to the Owner, and the Authority to the extent that the Authority is an additional insured, at least thirty (30) days prior to the effective date thereof, which shall be expressed in said notice.

F. The Contractor is responsible for the payment of any and all deductibles under all of the insurance required herein. Neither the Owner nor the Authority shall in any instance be responsible for the payment of deductibles, self-insured retentions, or any portion thereof.

2. Contractor's Commercial General Liability.

A. The Contractor shall purchase and maintain general liability coverage on the ISO form CG 00 01 or equivalent, including products and completed operations, on an occurrence basis. The form must be amended to state that the aggregate limit applies on a per location/project basis. The policy shall provide the following minimum coverage to protect the Contractor from claims with respect to the operations performed by Contractor and any employee, subcontractor, or supplier, or by anyone for whose acts they may be liable unless a higher coverage is specified in Section 8 below in which case the Contractor shall provide the additional coverage:

Bodily Injury & Property Damage	\$1,000,000 each occurrence
Products & Completed Operations	\$2,000,000 general aggregate per project
Personal & Advertising Injury	\$1,000,000 annual aggregate
Medical Expenses	\$5,000 each occurrence

B. This policy shall include coverage relating to explosion, collapse, and underground property damage.

C. This policy shall include contractual liability coverage.

D. The completed operations coverage shall be maintained for a period of three (3) years after Substantial Completion and acceptance by the Owner. The Contractor shall provide renewal certificates of insurance to the Owner as evidence that this coverage is being maintained.

E. If the Work includes work to be performed within fifty (50) feet of a railroad, any exclusion for liability assumed under contract for work within fifty (50) feet of a railroad shall be deleted.

F. This policy shall include the Authority, the Owner and anyone else requested by the Owner as additional insureds via endorsements CG 20 10 for ongoing operations and CG 20 37 for completed operations. This policy shall be primary and non-contributory with respect to any other insurance available to additional insureds.

G. The policy shall include endorsement CG 24 04, a Waiver of Subrogation in favor of the Authority and the Owner.

3. Automobile Liability.

A. The Contractor shall purchase and maintain the following minimum coverage with respect to the operations of any owned, non-owned, and hired vehicles including trailers used in the performance of the work, unless a higher coverage is specified in Section 8 below in which case the Contractor shall provide the additional coverage:

Owner may purchase and maintain coverage against loss or damage to the Work included in this Contract. If purchased by Owner, such coverage shall be on an "all risks" or equivalent form and will include a waiver of subrogation in favor of Contractor for loss or damage that occurs during the term of the Project. Owner will be responsible for the payment of any deductible under such coverage.

6. Builder's Risk/ Installation Floater/Stored Materials.

- A. The Contractor shall provide the following coverage in accordance with M.G.L. c. 149 §34A and c. 152, as amended, unless a higher coverage is specified in Section 8 below, in which case the Contractor shall provide the higher coverage:
- | | |
|-----------------------|-------------------------------------|
| Worker's Compensation | Statutory limits |
| Employer's Liability | \$ 500,000 each accident |
| | \$ 500,000 disease per employee |
| | \$ 500,000 disease policy aggregate |
- B. If specified in Section 8 below, the policy must be endorsed to cover United States Longshoremen & Harborworkers Act (USLHW), or Maritime Liability.
- C. The policy shall contain a Waiver of Subrogation in favor of the Authority and the Owner.

5. Worker's Compensation.

- | | |
|--------------------|----------------------------|
| Limit of liability | \$1,000,000 per occurrence |
| | \$3,000,000 aggregate |
- The Contractor shall purchase and maintain coverage for bodily injury and property damage resulting from liability arising out of pollution related exposures such as asbestos abatement, lead paint abatement, tank removal, removal of contaminated soil, etc. The insurance policy shall cover the liability of the Contractor during the process of removal, storage, transport and disposal of hazardous waste and contaminated soil and/or asbestos abatement. The policy shall include coverage for on-site and off-site bodily injury and loss of, damage to, or loss of use of property, directly or indirectly arising out of the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gas, waste materials or other irritants, contaminants or pollutants into or upon the land, the atmosphere or any water course or body of water, whether it be gradual or sudden and accidental. The policy shall also include defense and clean-up costs. The Authority and the Owner shall be named as additional insureds and coverage must be on an occurrence basis. The amount of coverage shall be as follows unless a higher amount is specified in Section 8 below to this Contract, in which case the Contractor shall provide the additional coverage:

4. Contractor's Pollution Liability.

- A. The policy shall include a CA 99 48 Broadened Pollution Endorsement. If specified in Section 8 below, the Contractor, if hauling contaminants and/or pollutants, must adhere to Sections 29 and 30 of the Motor Carrier Act of 1980, which shall include coverage Form MCS-90.
- B. The policy shall include a CA 99 48 Broadened Pollution Endorsement. If specified in Section 8 below, the Contractor, if hauling contaminants and/or pollutants, must adhere to Sections 29 and 30 of the Motor Carrier Act of 1980, which shall include coverage Form MCS-90.
- C. The policy shall name the Authority and the Owner as additional insureds.
- D. The policy shall contain a Waiver of Subrogation in favor of the Owner and the Authority.
- | | |
|---------------------------------|-----------------------------------|
| Bodily Injury & Property Damage | \$1,000,000 combined single limit |
|---------------------------------|-----------------------------------|

If specified in Section 8 below, Owner may require the Contractor to purchase and maintain coverage against loss or damage to the Work in accordance with the following requirements:

A. The Contractor shall purchase and maintain coverage against loss or damage on all Work included in this Contract in an amount equal to the Contract Price. Such coverage shall be written on an all risks basis or equivalent form and shall include, without limitation, insurance against perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, terrorism ("certified" and "non-certified"), collapse, earthquake, flood (if the project is not in an "A" or a "V" Flood Zone), windstorm, falsework, testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for Architect's and Contractor's services and expenses required as a result of such insured loss. Unless otherwise specified in this Contract, the limits for earthquake and flood shall be the lesser of the Contract Price or \$10,000,000. This policy and/or installation floaters shall include transportation and Stored Materials coverage in an amount equal to the value of the stored materials as required in C. below.

B. When Work will be completed on existing buildings owned by the Owner, the Contractor shall provide an installation floater, in the full amount of the Contract Price. Such coverage shall be written on an all risks basis or equivalent form and shall include, without limitation, insurance against perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood (if the project is not in an "A" or a "V" Flood Zone), windstorm, falsework, testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for Architect's and Contractor's services and expenses required as a result of such insured loss. Unless otherwise specified in this Contract, the limits for earthquake and flood shall be the lesser of the Contract Price or \$10,000,000. This policy and/or installation floaters shall include transportation and Stored Materials coverage in an amount equal to the value of the stored materials as required in C. below.

C. The Contractor shall maintain insurance on delivered and/or stored material designated to be incorporated in the Work against fire, theft or other hazards. Any loss or damage of whatever nature to such material while stored at an off Site location shall be forthwith replaced by the Contractor at no expense to the Owner or the Authority.

D. The policy or policies shall specifically state that they are for the benefit of and payable to the Authority, the Owner, the Contractor, and all persons furnishing labor or materials for the Contract Work, as their interests may appear. The policy or policies shall list the Authority, the Owner, the Contractor, and Subcontractors of any tier as named insureds.

E. Coverage shall include any costs for work performed by the Designer or any consultant as the result of a loss experienced during the term of this Contract.

F. Coverage shall include permission for temporary occupancy and a Waiver of Subrogation in favor of the Owner and the Authority.

G. Coverage shall be maintained until final acceptance by the Owner of the Work and final payment has been made.

H. A loss under the property insurance shall be adjusted by the Contractor as fiduciary and made payable to the Contractor as fiduciary for the insureds. The Contractor shall pay the subcontractors their just shares of insurance proceeds received by the Contractor and shall require subcontractors to make payments to their sub-subcontractors in similar manner.

7. Umbrella Coverage.

The Contractor shall provide Umbrella Coverage in a form at least as broad as primary coverages required by Sections 2, 3 and 5 of this Article in the following amount unless a higher amount is specified in Section 8 below in which case the Contractor shall provide the higher amount:

<u>Contract Price:</u>		<u>Limit of Liability:</u>
Under \$1,000,000		\$2,000,000 per occurrence
\$1,000,001 -- \$5,000,000		\$5,000,000 per occurrence
\$5,000,001 -- \$10,000,000		\$10,000,000 per occurrence
\$10,000,001 and over		\$25,000,000 per occurrence

8. Additional Insurance Requirements

The Contractor shall provide such other and/or additional types and/or amounts of insurance as may be set forth below:

MASSACHUSETTS SCHOOL BUILDING AUTHORITY
STANDARD CONSTRUCTION CONTRACT INSURANCE PROVISIONS FOR A
CONSTRUCTION MANAGER AT RISK CONTRACT

The District shall include, at a minimum, the following language regarding insurance requirements in the Owner-Construction Manager at Risk ("CM") contract. The District may impose additional insurance requirements provided that any such additional requirements shall not be inconsistent with the requirements imposed by the standard language set forth herein and further provided that, prior to issuing an RFP for construction management at risk services for the Project, the District shall give the Authority adequate written notice clearly describing any such additional requirements so that the Authority may, at its discretion, review and comment upon such additional requirements. Any such additional requirements may be set forth in Section 8 of the Insurance Requirements below. It shall be the sole responsibility of the District to determine whether additional insurance requirements are desirable or necessary for the Project and should be included in the Owner-CM contract.

INSURANCE REQUIREMENTS (CM at Risk)

1. Insurance Generally.

A. The CM shall purchase and maintain the insurance of the type and limits listed in this Article with respect to the operations as well as the completed operations of this Contract. This insurance shall be provided at the CM's expense and shall be in full force and effect for the full term of the Contract or for such longer period as this Article requires.

B. All policies shall be written on an occurrence basis and be issued by companies lawfully authorized to write that type of insurance under the laws of the Commonwealth with a financial strength rating of A- or better assigned by AM Best Company, or equivalent rating assigned by a similar rating agency acceptable to the Owner or as otherwise acceptable to the Owner. C. CM shall submit three originals of each certificate of insurance, acceptable to the Owner, simultaneously with the execution of this Contract. Certificates shall show each type of insurance, insurance company, policy number, amount of insurance, deductibles and/or self insured retentions, and policy effective and expiration dates. Certificates shall show the Massachusetts School Building Authority (hereinafter "Authority"), the Owner and anyone else that the Owner may request as additional insureds as to all policies of liability insurance. Certificates shall specifically note the following:

- that the automobile liability, umbrella liability and pollution liability policies include the Owner and the Authority as additional insureds;
- that all policies include the coverage and endorsements in accordance with the terms and conditions as required by this construction contract;
- that none of the coverages shall be cancelled, terminated, or materially modified unless and until thirty (30) days prior notice is given in writing to the Owner and the Authority;
- CM shall submit updated certificates prior to the expiration of any of the policies referenced in the certificates so that the Owner shall at all times possess certificates indicating current coverage.

D. The CM shall file one certified complete copy of all policies and endorsements with the Owner within sixty (60) days after Contract award. If the Owner or the Authority is damaged by the CM's failure to maintain such insurance and to comply with the terms of this Article, then the CM shall be responsible for all costs and damages to the Owner and the Authority attributable thereto.

E. Termination, cancellation, or material modification of any insurance required by this Contract, whether by the insurer or the insured, shall not be valid unless written notice thereof is given to the Owner, and the Authority to the extent that the Authority is an additional insured, at least thirty (30) days prior to the effective date thereof, which shall be expressed in said notice.

F. The CM is responsible for the payment of any and all deductibles under all of the insurance required below unless the Owner and the Authority specifically provide a written waiver to the CM.

2. CM's Commercial General Liability.

A. The CM shall purchase and maintain general liability coverage on the ISO form CG 00 01 or equivalent, including products and completed operations, on an occurrence basis. The form must be amended to state that the aggregate limit applies on a per location/per project basis. The policy shall provide the following minimum coverage to protect the CM from claims with respect to the operations performed by CM and any employee, subcontractor, or supplier, unless a higher coverage is specified in Section 8 below, in which case the CM shall provide the additional coverage:

Bodily Injury & Property Damage	\$1,000,000 each occurrence
Products & Completed Operations	\$2,000,000 general aggregate, per project
Personal & Advertising Injury	\$1,000,000 annual aggregate
Medical Expenses	\$5,000 each occurrence

B. This policy shall include coverage relating to explosion, collapse, and underground property damage.

C. This policy shall include contractual liability coverage.

D. The completed operations coverage shall be maintained for a period of three (3) years after Substantial Completion and acceptance by the Owner. The CM shall provide renewal certificates of insurance to the Owner as evidence that this coverage is being maintained.

E. If the Work includes work to be performed within fifty (50) feet of a railroad, any exclusion for liability assumed under contract for work within fifty (50) feet of a railroad shall be deleted.

F. This policy shall include the Authority, the Owner and anyone else requested by the Owner as additional insureds via endorsements CG 20 10 for ongoing operations and CG 20 37 for completed operations. This policy shall be primary and non-contributory with respect to any other insurance available to additional insureds.

G. The policy shall include endorsement CG 24 04, a Waiver of Subrogation in favor of the Owner and the Authority.

3. Automobile Liability.

A. The CM shall purchase and maintain the following minimum coverage with respect to the operations of any owned, non-owned, and hired vehicles including trailers used in the performance of the work, unless a higher coverage is specified in Section 8 below, in which case the CM shall provide the additional coverage:

If specified in Section 8 below, Owner may require the CM to purchase and maintain coverage against loss or damage to the Work in accordance with the following requirements:

Owner may purchase and maintain coverage against loss or damage to the Work included in this Contract. If purchased by Owner, such coverage shall be on an "all risks" or equivalent form and will include a waiver of subrogation in favor of CM for loss or damage that occurs during the term of the Project. Owner will be responsible for the payment of any deductible under such coverage.

6. Builder's Risk/ Installation Floater/Stored Materials.

B. If specified in Section 8 below the policy must be endorsed to cover United States Longshoremen & Harborworkers Act (USLHW), or Maritime Liability for \$1,000,000/\$1,000,000. C. The policy shall contain a Waiver of Subrogation in favor of the Owner and the Authority.

Workers' Compensation	Statutory limits
Employer's Liability	\$ 500,000 each accident
	\$ 500,000 discae per employec
	\$ 500,000 discae policy aggregate

A. The CM shall provide the following coverage in accordance with M.G.L. c. 149 §34A and c. 152 as amended, unless a higher coverage is specified in Section 8 below, in which case the CM shall provide the higher coverage:

5. Worker's Compensation.

Limit of liability	\$1,000,000 per occurrence
	\$3,000,000 aggregate

The CM shall purchase and maintain coverage for bodily injury and property damage resulting from liability arising out of pollution related exposures such as asbestos abatement, lead paint abatement, tank removal, removal of contaminated soil, etc. The insurance policy shall cover the liability of the CM during the process of removal, storage, transport and disposal of hazardous waste and contaminated soil and/or asbestos abatement. The policy shall include coverage for on-site and off-site bodily injury and loss of, damage to, or loss of use of property, directly or indirectly arising out of the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gas, waste materials or other irritants, contaminants or pollutants into or upon the land, the atmosphere or any water course or body of water, whether it be gradual or sudden and accidental. The policy shall also include defense and clean-up costs. The Owner and the Authority shall be named as additional insureds and coverage must be on an occurrence basis. The amount of coverage shall be as follows unless a higher amount is specified in Section 8 below, in which case the CM shall provide the additional coverage:

4. Contractor's Pollution Liability.

D. The policy shall contain a Waiver of Subrogation in favor of the Owner and the Authority.

C. The policy shall name the Owner and the Authority as additional insureds.

B. The policy shall include a CA 99 48 Broadened Pollution Endorsement. If specified in Section 8 below, the CM, if hauling contaminants and/or pollutants, must adhere to Sections 29 and 30 of the Motor Carrier Act of 1980, which shall contain coverage Form MCS-90.

Bodily Injury & Property Damage \$1,000,000 combined single limit

The CM shall purchase and maintain coverage against loss or damage on all Work included in this Contract in an amount equal to the GMP. Such coverage shall be written on an all risks basis or equivalent form and shall include, without limitation, insurance against perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood (if the project is not in an "A" or a "V" Flood Zone), windstorm, falsework, testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for Architect's, Program Manager's and CM's services and expenses required as a result of such insured loss. Unless otherwise specified in this Contract, the limits for earthquake and flood shall be the lesser of the Contract Price or \$10,000,000. This policy and/or installation floaters shall include transportation and Storage materials as required in C, below.

A. The CM shall purchase and maintain coverage against loss or damage on all Work included in this Contract in an amount equal to the GMP. Such coverage shall be written on an all risks basis or equivalent form and shall include, without limitation, insurance against perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, terrorism ("certified" and "non-certified"), collapse, earthquake, flood (if the project is not in an "A" or a "V" Flood Zone), windstorm, falsework, testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for Architect's, Program Manager's and CM's services and expenses required as a result of such insured loss. Unless otherwise specified in this Contract, the limits for earthquake and flood shall be the lesser of the Contract Price or \$10,000,000. This policy and/or installation floaters shall include transportation and Storage materials as required in C, below.

B. When Work will be completed on existing buildings owned by the Owner, the CM shall provide an installation floater, in the full amount of the Contract Price. Such coverage shall be written on an all risks basis or equivalent form and shall include, without limitation, insurance against perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood (if the project is not in an "A" or a "V" Flood Zone), windstorm, falsework, testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for Architect's, Program Manager's and CM's services and expenses required as a result of such insured loss. Unless otherwise specified in this Contract, the limits for earthquake and flood shall be the lesser of the Contract Price or \$10,000,000. This policy and/or installation floaters shall include transportation and Storage materials coverage in an amount equal to the value of the stored materials as required in C, below.

C. The CM shall maintain insurance on delivered and/or stored material designated to be incorporated in the Work against fire, theft or other hazards. Any loss or damage of whatever nature to such material while stored at some approved off Site location shall be forthwith replaced by the CM at no expense to the Owner or the Authority.

D. The policy or policies shall specifically state they are for the benefit of and payable to the Authority, the Owner, the CM, subcontractors and all persons furnishing labor or labor and materials for the Contract Work, as their interests may appear. The policy or policies shall list the Authority, the Owner, the CM, and Subcontractors of any tier as named insureds.

E. Coverage shall include any costs for work performed by the Designer or any consultant as the result of a loss experienced during the term of this Contract.

F. Coverage shall include permission for temporary occupancy and a Waiver of Subrogation in favor of the Owner and the Authority.

G. Coverage shall be maintained until final acceptance by Owner of the Work and final payment has been made.

H. A loss under the property insurance shall be adjusted by CM as fiduciary and made payable to the Contractor as fiduciary for the insureds. CM shall pay the subcontractors their just shares of insurance proceeds received by the CM and shall require subcontractors to make payments to their sub-subcontractors in similar manner.

7. Umbrella Coverage.

The CM shall provide such other and/or additional types and/or amounts of insurance as may be set forth below:

8. Additional Insurance Requirements

Contract Price:	
Under \$1,000,000	
\$1,000,000 -- \$5,000,000	
\$5,000,001 -- \$10,000,000	
\$10,000,001 and over	
Limit of Liability:	
\$2,000,000 per occurrence	
\$5,000,000 per occurrence	
\$10,000,000 per occurrence	
\$25,000,000 per occurrence	