

EXHIBIT "B" INSURANCE REQUIREMENTS

Subcontractors shall, at their sole cost and expense, obtain and maintain separate insurance coverage. Work on any project will not be allowed to commence without your Certificate of Insurance on file at our main office. Every certificate must include:

General Liability Insurance - \$1,000,000 Occurrence / \$2,000,000 Aggregate / \$2,000,000 Products Completed Operations

- "Project Name" or "All Operations" must be indicated on all certificates.
- KNR Builders **must** be named as Additional Insured with the proper endorsement sheet (attached to the Certificate and the endorsement must include the following clause):
PRIMARY CLAUSE - INDEMNIFICATION: *To the fullest extent permitted by law, subcontractor shall indemnify and hold harmless Owner and Contractor and their agents and employees from Claims, demands, causes of actions and liabilities of every kind of nature whatsoever arising out of or in connection with Subcontractors Operations performed under this Agreement. This indemnification shall extend to claims occurring after this Agreement is terminated as well as while it is in force. The indemnity shall apply regardless of any active and/or passive negligent actor or omission of Owner and Contractor or their agents or employees, but subcontractor shall not be obligated to indemnify any party for claims arising from the sole negligence or willful misconduct of Owner or Contractor or their agents or employees or caused solely by the designs provided by such parties. The indemnity set forth in this Section shall not be limited by insurance requirements or by any other provision of this Agreement. All work covered by this Agreement done at the site or in preparing or delivering materials or equipment to the site shall be at the sole risk of Subcontractor until the completed work is accepted by the Contractor.*
- Commercial General Liability insurance written in an "occurrence" form which includes contractual liability coverage, operations premises liability, explosion, collapse and underground property damage, personal injury, independent contractors, broad form property damage and cross-liability coverage. Minimum limits for this coverage shall be at least **\$1,000,000 Bodily Injury/Property Damage each occurrence with \$2,000,000 aggregate / \$2,000,000 Products Completed Operations**. Such insurance shall be underwritten by an A.M. Best Rate carrier with no less than an A- VII rating.
- Certificate shall contain a provision that coverages afforded under such policies shall not be canceled or materially changed without at least thirty (30) calendar days written notice to the Owner and Contractor. The insurance required for the above shall include products and completed operations coverage which shall be maintained for a term ending not sooner than two (2) years after final completion of the work and shall be on an "occurrence basis" and not a "claims made" basis.

AUTO LIABILITY INSURANCE – \$1,000,000

- "Project Name" or "All Operations" must be indicated on all certificates.
- 30-Day cancellation notice to the Owner and Contractor
- Automobile Liability insurance covering all owned, hired and non-owned vehicles with a combined single limit of not less than \$1,000,000 each occurrence.

WORKERS COMPENSATION INSURANCE – \$1,000,000

- "Project Name" or "All Operations" must be indicated on all certificates.
- In accordance with the laws of the State of California in an amount that is not less than that required by applicable law, statute or ordinance, with a limit of liability for coverage "B" of at least \$1,000,000 each occurrence/aggregate.
- 30-Day cancellation notice to the Owner and Contractor

All policies shall be maintained in full force and such policies must be written with an Insurance company having a Best Insurance Rating of "A" or better and satisfactory to Contractor and Owner.

Original certificate and endorsements must be mailed to:

**KNR Builders
14701 Myford Rd., Ste B
Tustin, CA 92780
Attention: Heather Torquato**