PROJECT SPECIFIC INSURANCE MANUAL

FOR THE

PROJECT NAME

Presented By:

Swinerton Builders
and
Gallagher Construction Services
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Insurance Coverages

Swinerton provides the following insurance to all enrolled subcontractors under the program. Policy copies are available upon request:

(a) **Workers' Compensation Insurance:**
Statutory limits, with Coverage B - Employer's Liability limits of:
- Bodily Injury by Accident $1,000,000 Each Accident
- Bodily Injury by Disease $1,000,000 Each Employee
- Bodily Injury by Disease $1,000,000 Policy Limit

(b) **Commercial General Liability Insurance:**
(Excluding Automobile, Professional, and Pollution Liability) applying to all Insureds jointly with the following Bodily Injury and Property Damage combined limits:
- $2,000,000 Each Occurrence
- $2,000,000 Personal and Advertising Liability
- $4,000,000 General Aggregate
- $4,000,000 Products and Completed Operations Aggregate
  - Ten (10) years Completed Operations coverage, per project, from substantial completion.

- General Aggregate Limits apply per project and renew annually.
- Products & Completed Operations aggregate limit will apply per project and once per policy period and Extended Completed Operations coverage period combined.

(c) **Excess Liability Insurance:**
- $25,000,000 Each Occurrence
- $25,000,000 General Aggregate
- $25,000,000 Products and Completed Operations Aggregate

- General Aggregate Limits apply per project and renew annually.
- Products & Completed Operations aggregate limit will apply per project and once per policy period and Extended Completed Operations coverage period combined.

(d) **Deductibles:**
- **Workers’ Compensation:** $1,000 Deductible for each Loss Time Injury Claim
- It will be assessed a loss time incident if the indemnity payment is made.

- **General Liability:** For each contractor per occurrence
  - $5,000 for subs with contracts up to $100,000
  - $10,000 for subs with contracts between $101,000 and $500,000
  - $25,000 for subs with contracts over $500,000

- The Deductible will be assessed on the value of contract at the time of loss. Losses falling under the products/completed operations exposures will result in deductibles of twice the amount shown above.

(e) **Defense Costs:** Defense costs are in addition to the limits of liability
Evidence of Insurance:

Gallagher Construction Services will issue certificates of insurance evidencing coverages provided under the PSI to each Insured. The certificate of insurance and insurance policy will include a 30-day notice of cancellation clause.

The coverages under this program do not include all insurance needed by the Subcontractor and its Subcontractors of any tier. For example, Workers’ Compensation and General Liability coverages apply only to the operations of and for each Insured at the Project Site. They do not apply to the operations of any Insured in their regularly established main or branch office, factory, warehouse, or similar place. Independent Truckers/Haulers will not be Insureds under the Program.

Known Exclusions

- Nuclear Energy Liability Exclusion
- Silica Exclusion
- Lead Exclusion
- Asbestos Exclusion Endorsement
- Exclusion Contractors Professional Liability
- EIFS Exclusion
- Exclusion - Violation of Statues that Govern E-mails, Fax, Phone Calls or Other Methods of Sending Material or Information
- Fungi or Bacteria Exclusion
- Employment related practices exclusion
- Total Pollution Exclusion
- Prior claims or Continuous Progressively deteriorating
- Property Damage to Owner’s Property Exclusion (Builder’s Risk Exclusion)
- Notice of error in claim reporting
- Notice of Occurrence
- Two or More Policies Endorsement
- Limited Contractual Liability
- Unintentional E&O
- Fellow Employee/Incidental Medical Malpractice Coverage
- Distribution of Material in Violation of Statues Endorsement

Program Term: July 20, 2009 to July 20, 2014 plus 10-year completed operations tail

Project Term: Date to Date plus 10-year completed operations tail

Insurance Carriers:

- Commercial General Liability Insurance: Zurich American Insurance (Zurich)
- Workers Compensation Insurance: Zurich American Insurance (Zurich)
(k) Credit Calculation: Net Bid

The coverages under this program do not include all insurance needed by the Subcontractor and its Subcontractors of any tier. For example, Workers' Compensation and General Liability coverages apply only to the operations of and for each Insured at the Project Site. They do not apply to the operations of any Insured in their regularly established main or branch office, factory, warehouse, or similar place. Independent Truckers/Haulers will not be Insureds under the Program.

This Summary is not intended to amend or alter any provisions of the actual insurance policies. If a conflict should occur, the insurance policies shall govern. Actual policy copies will be provided upon written request. Gallagher automatically distributes policy copies upon enrollment.
Program Eligibility

All qualified subcontractors of any tier whose employees perform actual on-site labor are required to participate in the Project Specific Insurance (PSI) Program and follow through with the enrollment and participant responsibilities as noted throughout this Manual.

Coverage Trigger

Coverage will begin the date you begin work at the site and is contingent on a properly completed PSI Enrollment Form. Once your enrollment has been completed you will receive a Certificate of Insurance confirming the coverage from Gallagher Construction Services. **It is your responsibility to complete and return all enrollment materials before you begin work on the project.** You are also responsible for ensuring that any lower tier subcontractors you hire are also enrolled before they begin their work at the project site. If you or your lower tier subcontractors have not completed the enrollment form and received confirmation of enrollment from Gallagher Construction Services, no coverage will be afforded.

*The Payroll Form must be submitted monthly to Gallagher Construction Services by the 5th of every month.*

Ineligible Parties

Subcontractors who present an exceptionally hazardous exposure or risk to the job site may not be eligible to participate, at Swinerton's discretion. It is your responsibility to contact Gallagher and confirm your eligibility before you begin work on the project.

Not everyone will be a participant. For example, the following are ineligible for the program:

- Vendors
- Suppliers
- Material dealers,
- Off-site fabricators with no on-site installation
- Others who merely transport, pick up, deliver or carry materials, personnel, parts or equipment or any other items or persons to or from the project site
- Temporary labor services that would traditionally supply you with temporary labor (where workers' compensation coverage is provided for those employees by the temporary agency). This situation needs to be reviewed on an individual basis.
- Abatement contractors
- Scaffolding contractors

If you are uncertain whether your firm will be a participant in this program, or wish confirmation of your eligibility, please contact Administrator, Gallagher Construction Services at (877) 972-7871.

Swinerton will coordinate the program at the project site. Gallagher Construction Services will be administering the program from their offices. A complete contact list is in the back of this Manual.
# PSI Enrollment Responsibilities Flow Chart

<table>
<thead>
<tr>
<th></th>
<th>Action Item</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Distribute PSI Manual to prospective bidders or subcontractors.</td>
<td>Swinerton</td>
</tr>
<tr>
<td>2</td>
<td>Send PSI Manual to your Insurance Agent/Broker for assistance, if necessary, in completing the PSI Enrollment Form.</td>
<td>Subcontractor</td>
</tr>
<tr>
<td>3</td>
<td>Distribute PSI Manual to prospective lower tier bidders/subcontractors.</td>
<td>Subcontractor</td>
</tr>
<tr>
<td>4</td>
<td>Forward to Gallagher PSI Enrollment Forms and insurance documents from you and your lower tier subcontractors.</td>
<td>Subcontractor</td>
</tr>
<tr>
<td>5</td>
<td>Send Insurance Certificate to Swinerton in accordance with the Attachment “A” Insurance Requirements of the Subcontract Agreement.</td>
<td>Subcontractor</td>
</tr>
<tr>
<td>6</td>
<td>Ensure that Monthly Payroll reports are submitted for you and your lower tier subcontractors.</td>
<td>Subcontractor</td>
</tr>
<tr>
<td>7</td>
<td>Confirm all site subcontractors' and/or lower-tier subcontractor(s) enrollment in PSI program. Gallagher will issue written confirmation.</td>
<td>Gallagher</td>
</tr>
<tr>
<td>8</td>
<td>Certificate of Insurance and policy copies issued to PSI participant.</td>
<td>Gallagher</td>
</tr>
<tr>
<td>9</td>
<td>Advise your Insurance Agent/Broker of insurance coverages provided by PSI so that proper notice can be made to your current insurers.</td>
<td>Subcontractor Lower-tier subcontractor</td>
</tr>
</tbody>
</table>
Insurance Required From Subcontractors of Any Tier

Please note that the coverages provided by the PSI are designated to cover you only while you are actively engaged in construction activities at the Project Name site. Therefore it is imperative that you maintain your own insurance coverage for off-site operations.

The required insurance of every PSI participant is outlined in detail in the Subcontract Attachment "A" – Insurance Requirements. Please refer to that subcontract document for the requirements that pertain to you. In summary, the following coverages are required:

1. **Statutory Workers' Compensation** Insurance and $1,000,000 Employers' Liability for off-site operations, warranty and call-back work.

2. **General Liability** Insurance for premises and off-site operations. The required limits vary depending on the type of work performed by the subcontractor. However, required limits are not less than $2,000,000 per occurrence and in the aggregate.

3. **Automobile Liability** Insurance with limits not less than $1,000,000 combined single limit covering all owned, non-owned and hired automobiles.

4. **Professional Liability** Insurance with limits not less than $2,000,000 per claim for all subcontractors, consultants, architects, engineers, or surveyors rendering professional services for the Project Name.

5. **Pollution Liability** Insurance with limits not less than $2,000,000 for any subcontractor performing any hazardous material hauling, or hazardous material abatement.

6. The Subcontractor of any tier shall require their respective vendors, suppliers, off-site fabricators, material dealers, truckers, drivers and others, who merely transport, pick-up, deliver or carry materials, personnel, parts or equipment to or from the project site to maintain insurance in the form and with the limits as specified in the Subcontract Attachment “A” – Insurance Requirements.

The Attachment “A” – Insurance Requirements of the Subcontract Agreement outline in detail the required coverages for all PSI participants. It is important to review that document and supply the required Certificate of Insurance prior to the start of work. Please note that progress payments may be withheld if required insurance is not on file. If you have questions regarding any of the required insurance, feel free to contact Administrator (877) 972-7871.
PSI Application Worksheet Instructions

Every PSI participant must complete the PSI Application Worksheet on the following page. Please contact administrator at (877) 972-7871 if you have any questions regarding the completion of this worksheet, as she can walk you through it. Please keep in mind that the PSI coverage includes:

- **Worker's Compensation** coverage including Employers' Liability Limits of $1,000,000/$1,000,000/$1,000,000.

- **General Liability limits of** $2,000,000/$4,000,000/$4,000,000 for all insureds combined, with the limits specific to the Project Name.

- **Excess limits of** $25,000,000 for all insureds combined, with such limits specific to the Project Name, for premises operations and $25,000,000 for completed operations.

- **Ten years completed operations tail** with project specific limits.

Please keep in mind the following:

- You will need to collect the PSI Application Worksheet from each of your lower-tier subcontractors.

- The PSI does **NOT INCLUDE** automobile coverage (including trucks and licensed equipment) or tools and equipment.

- The PSI provides Workers' Compensation only for employees working at the Project Name. Your yard or plant workers, off-site clerical staff, drivers who only deliver or pick up at the project, and management or supervisory personnel who are not dedicated to the project are **NOT COVERED** by the PSI. Labor provided through labor service companies should be discussed with Gallagher to determine eligibility.

- The PSI provides General Liability only for operations at the Project Name. Operations of each subcontractor of any tier at other locations are **NOT COVERED** by the PSI.
PSI Enrollment Form

PROJECT NAME

SECTION 1: SUBCONTRACTOR TO FILL IN THIS SECTION

<table>
<thead>
<tr>
<th>SUBCONTRACTOR NAME</th>
<th>CONTACT NAME</th>
<th>PHONE:</th>
<th>FAX:</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAIN ADDRESS</td>
<td>CONTACT EMAIL</td>
<td>FEIN NUMBER</td>
<td></td>
</tr>
<tr>
<td>ESTIMATED WORK START DATE</td>
<td>ESTIMATED WORK COMPLETION DATE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FORM OF ENTITY: (CORP)</td>
<td>(PARTNERSHIP)</td>
<td>(JOINT VENTURE)</td>
<td>(OTHER)</td>
</tr>
<tr>
<td>IF JV OR PARTNERSHIP, LIST NAMES:</td>
<td></td>
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<tr>
<td>SCOPE OF WORK</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>WHO WILL YOU BE UNDER SUBCONTRACT TO?</td>
<td>ESTIMATED % TO BE SUBCONTRACTED %</td>
<td></td>
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<tr>
<td>LOWER TIER SUBCONTRACTORS</td>
<td></td>
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<td></td>
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<tr>
<td>ESTIMATED CONTRACT AMOUNT $</td>
<td>ESTIMATED PAYROLL AMOUNT $</td>
<td></td>
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<tr>
<td>WC CLASS CODES PERFORMING WORK UNDER</td>
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<tr>
<td>OFFSITE WORKERS' COMPENSATION CARRIER:</td>
<td></td>
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<tr>
<td>POLICY NUMBER:</td>
<td>POLICY PERIOD:</td>
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<tr>
<td>NAME OF INSURANCE</td>
<td>BROKER</td>
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<td>EMR:</td>
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As noted in this Manual, Swinerton will purchase Workers' Compensation, Employers' Liability, General Liability and Excess Coverages for the benefit of participating subcontractors. In exchange for this benefit, the undersigned agrees as follows:

- Any and all returns of premium, dividends, discounts, or other adjustments to any WRAP-UP policy is assigned, transferred and set over absolutely to Swinerton. This assignment pertains to the policies as now written and as subsequently modified, rewritten or replaced including any additional amounts or coverages as a result thereof. Rights of cancellation of all insurance policies provided to Subcontractors of any tier by Swinerton are also assigned to them. This assignment is only valid for Insurance policies whose premiums have been paid by Swinerton on behalf of such Subcontractors of any tier.
- Subcontractor enrolled in the WRAP-UP policy will be responsible for its proportionate share of the insurance deductibles of up to $1,000 per loss time injury occurrence for Workers' Compensation and $5,000-$25,000 per occurrence for General Liability, if determined the subcontractor is liable for the associated claim.
- Insurance coverage under the WRAP-UP is contingent on a properly completed Application with information that is accurately represented by the subcontractor(s). Gallagher Construction Services will provide each enrolled subcontractor with written confirmation of coverage.

Signature ___________________________ Date _______________________

Name ___________________________ Title _______________________

FAX TO 415-228.6173 or EMAIL TO Marisa_Lechner@AJG.COM
Payroll Report

PROJECT NAME

This form must be completed and returned to Gallagher by the 5th of each month. The Subcontractor will be responsible to enforce the submission of this form by their Subcontractors of any tier. Computer-generated payroll reports are acceptable if similar information is provided.

REPORT FOR THE MONTH OF: ____________________________________

NAME OF SUBCONTRACTOR OF ANY TIER: __________________________

WORKING UNDER CONTRACT WITH: ________________________________

CONTRACT #: ________________________________________________

<table>
<thead>
<tr>
<th>WORKERS' COMPENSATION CLASSIFICATION CODES</th>
<th>MONTHLY HOURS</th>
<th>MONTHLY UNBURDENED PAYROLL IN $$ (Straight Time)</th>
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You do not need to list out individual employee payroll information. Summarize employees’ payrolls by class code and only report one payroll amount per code.

I CERTIFY THAT THE DATA SHOWN ABOVE IS CORRECT.

Signed ____________________________  Title ____________________________

Date ____________________________

Return completed form by 5th of month to: Marisa Lechner
Gallagher Construction Services
Phone (415) 288-1662
Direct Fax (415) 228-6173
Wrap-up Fax (415) 391-1916
Marisa_Lechner@ajg.com

*HARD COPIES ARE NOT REQUIRED BY MAIL
Notice of Work Completion

PROJECT NAME

Subcontractor of any tier will complete this form and forward it to Gallagher, for verification that all requirements of the PSI have been met.

1. Subcontractor:________________________________________

2. Job site:________________________________________

3. Work Performed:________________________________

4. Date work completed:________________________________

5. Subcontractors of any tier, if any, which are included in this Work:
   (Add attachment if more space is needed)

   Name ___________________________ Name ___________________________

   Name ___________________________ Name ___________________________

6. (Signed By) _______________________________________
   Subcontractor of any tier Representative's Signature

Return completed form to: Marisa Lechner
Gallagher Construction Services
Phone (415) 288-1648
Direct Fax (415) 228-6173
Wrap-up Fax (415) 391-1916
Marisa_Lechner@ajg.com
Accident Reporting and Claims Procedures

WORKERS' COMPENSATION CLAIMS

1. The injured employee's foreman/superintendent shall see that first aid is administered promptly and accompany the injured employee to the medical facility designated for the project. Be sure to give treating clinic the name of subcontractor as employer, and reference the Project Name as job site. Designated facility must be used because of prior established relationship and their knowledge of occupational injuries and transitional work. Authorization treatment forms (green) will be sent to the Swinerton office at the job site, to be hand delivered to your designated safety person at the site.

2. Claims will be called into ZURICH's on the same day of occurrence. Subcontractor must prepare the Employers' First Report of Injury and fax a copy to Zurich. A copy of the completed form should be filed with Swinerton personnel (On-site Safety Coordinator - see directory). Claim kits are sent to the job site upon subcontractor enrollment that contain the necessary forms for reporting.

3. The subcontractor must immediately supply the injured employee with the DWC-1 as required by State law, and follow usual internal reporting procedures, with the exception of reporting the claim to their usual Workers' Compensation insurance carrier.

4. Foreman or superintendent must perform Accident Investigation, including Root Cause Analysis. A copy of the completed Accident Investigation must be sent to On-site Safety Coordinator. If injury is serious, please also fax to Wade Obermann, PSI Safety Director (fax number is listed in Personnel Directory at back of this manual).

5. Any claim issues or problems may be directed to the treating clinic or ZURICH directly. If concerns or issues are not dealt with satisfactorily you may contact Laurelle Jones at Gallagher Construction Services in San Francisco for assistance in resolving problems (see directory for phone numbers).

6. Maintenance of records required by the Federal Occupational Safety and Health Act and all other applicable regulations are the responsibility of each subcontractor.
GENERAL LIABILITY CLAIMS

1. If an injury is involved, the Subcontractor's superintendent must immediately arrange for first aid or other required medical treatment for the injured party.

2. All Incidents, regardless of severity, shall be reported immediately to the Job Site Contact and On-site Safety Coordinator and reported to the Insurer by telephone

3. The Subcontractor's superintendent must complete a General Liability Loss Notice (located in the Gallagher Construction Services enrollment binder) for each accident with the following distribution: ZURICH, Job Site Office, Gallagher Construction Services.

4. Any Court Summons, legal documents or other correspondence must be immediately referred to Gallagher Construction Services by registered mail. Additional questions concerning suit papers should be referred to Gallagher Construction Services.
Definitions For Purposes Of This Manual

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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</thead>
<tbody>
<tr>
<td>General Contractor:</td>
<td>Swinerton Builders</td>
</tr>
</tbody>
</table>
| Project:                          | Project Name  
Project Address                                                                                                                                                                                 |
| Project: Site:                    | The areas designated in writing by Swinerton Builders in a contract document for performance of the Work and such additional areas as may be designated in writing by Swinerton Builders for Contractor's use in performance of the Work. The Project Site shall also include (1) field offices, (2) property used for bonded storage of material for the Project approved by Swinerton Builders, (3) staging areas dedicated to the Project. Items 1 through 3 must be approved by the CCIP Insurer and listed in the CCIP Policy. |
| Off-Site Exposures:               | Offices, shops, warehouses, factories, or similar locations away from the designated project site that have not been approved by the CCIP Insurer and listed on the CCIP Policy ARE NOT COVERED. |
| Contract:                         | The agreement between Swinerton Builders and the Subcontractor. The terms "Contract" and "Agreement" are used interchangeably.                                                                           |
| Subcontractor of Any Tier:        | The person, firm or corporation with whom Swinerton has entered into Agreement to perform the Work. Or the Person or entity who has a contract with a Swinerton Subcontractor to perform any of the Work at the Site. |
| Work:                             | Operations, as fully described in the Contract, performed at or emanating directly from the Project Name.                                                                                              |
| Insured:                          | Subcontractors of any tier which have an executed subcontract agreement and which have received written confirmation of coverage by Gallagher Construction Services. The following are not insureds under this WRAP-UP: Vendors, suppliers, material dealers, off-site fabricators and others who merely transport, pick up, deliver or carry materials, personnel, parts or equipment or any other items or persons to or from the Project Site, et al. |
| Insurers:                         | - Workers' Compensation and Employer's Liability:  
  *Zurich American Insurance (ZURICH)*  
- Commercial General Liability Insurance:  
  *Zurich American Insurance (ZURICH)*  
- Excess Liability Insurance:  
  *Allied World Assurance Company, Inc. (AWAC)*
# Personnel Directory

<table>
<thead>
<tr>
<th><strong>PROJECT CONTACT:</strong></th>
<th>TBD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PROJECT MANAGER:</strong></td>
<td>TBD</td>
</tr>
</tbody>
</table>
| **PSI SAFETY DIRECTOR:** | Wade Obermann  
Swinerton Incorporated  
4055 Nelson Ave.  
Concord CA 94520  
(925) 602-6492  
(925) 825-0848/fax |
| **RISK MANAGEMENT:** | John Capener  
Swinerton Incorporated  
4055 Nelson Avenue  
Concord CA 94520  
(925) 602-6478  
Susan Thorne  
Swinerton Incorporated  
4055 Nelson Avenue  
Concord CA 94520  
(925) 602-6463 |
| **Insurance Broker & Contact:** | Administrator Name  
Gallagher Construction Services  
One Market, Spear Tower, Suite 200  
San Francisco, CA 94105  
(415) 288-1662 direct line  
(877) 972-7871 toll free  
(415) 391-1916 fax  
@ajg.com |
| **ENROLLMENT/ADMINISTRATION:** | Laurelle Jones  
Gallagher Construction Services  
(415) 288-1612  
(415) 391-2616/fax |
| **WORKERS’ COMPENSATION CLAIMS:** | Paul Matejzel  
Gallagher Construction Services  
(415) 288-1685  
(415) 391-2616/fax |
| **GENERAL LIABILITY CLAIMS:** | Claims Service Center  
(877) 928-4531 |