



METAL SHARK

Appendix 3

Subcontractor Indemnification, Liability, and Insurance Requirements

- 1.1 The Subcontractor shall indemnify and hold Metal Shark and End Customer, their agents, consultants and employees harmless from and against all claims, losses, costs and damages, including but not limited to attorney's fees, pertaining to the performance of this Agreement and involving personal injury, sickness, disease, death or property damages, including loss of use of property resulting therefrom to the extent caused in whole or in part by the Subcontractor, or any of the Subcontractors' suppliers, manufacturers, or other persons or entities for whose acts the Subcontractor may be liable. The indemnifications agreement is binding on the Subcontractor, to the fullest extent permitted by law, regardless of whether any or all of the persons and entities indemnified hereunder are responsible in part for the claims, damages, losses or expenses for which the Subcontractor is obligated to provide indemnification. This indemnification provision does not negate, abridge or reduce any other rights or obligations of the persons or entities described herein with respect to indemnify. For purposes of this Appendix 3, Metal Shark shall be deemed to include its affiliated and subsidiary companies and entities, any other entities managed or controlled by them, and their respective directors, officers, employees, agents and representatives.
- 1.2 The Subcontractor shall at its own expense defend and pay all costs and expenses, including attorneys' fees and shall satisfy all judgments entered against Metal Shark or End Customer or its affiliates or subsidiaries.
 - 1.2.1 Nothing herein shall preclude Metal Shark or End Customer from participating in such defense at its own expense.
- 1.3 Subcontractor shall accept responsibility for all of Subcontractor's work under this Agreement. Where any work has been found not to be in accordance with this Agreement ("nonconforming work"), Metal Shark shall give Subcontractor notice in writing of the defect or nonconforming work, and Subcontractor shall repeat the non-conforming work at Subcontractor's own expense and, if necessary, reimburse Metal Shark for direct losses incurred as a result of Subcontractor's non-conforming work.
- 1.4 If any work is repeated as a result of the Metal Shark's notification that it was nonconforming and it is subsequently discovered that the original work was in fact conforming, Metal Shark shall reimburse Subcontractor for the additional work performed.



METAL SHARK

- 1.5 In the event that Subcontractor performs the work and this work is based on incorrect or incomplete information supplied by Metal Shark, Subcontractor shall not be held liable for any non-conforming work insofar as the nonconforming work is based on incorrect or incomplete information.
- 1.6 Subcontractor shall maintain:
- 1.6.1 Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general annual aggregate of \$2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable. Any waftercraft exclusion contained in the policy shall be deleted. The policy shall provide broad form contractual liability coverage as respects liabilities assumed by Subcontractor under this agreement.
 - 1.6.2 If applicable, Marine General Liability shall include coverage for injury, death, Rigger's insurance and/or property damage not covered by other policies. Limits on the MGL should be at least \$1MM (one million dollars) per occurrence and \$2MM (two million dollars) in aggregate.
 - 1.6.3 Automobile Liability Insurance shall have a minimum combined single limit per accident of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.
 - 1.6.4 Excess/Umbrella Liability Insurance shall provide excess coverage of automobile liability, general commercial liability, employer's liability & maritime employer's liability. The umbrella policy shall have minimum limit per occurrence of \$4,000,000 and minimum aggregate of \$4,000,000.
 - 1.6.5 Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of \$1,000,000 per accident/per disease/per employee. If work is to be performed over water



METAL SHARK

and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only. USL&H is required. The policies required of Subcontractor pursuant to this Article 5.7.5 shall include Metal Shark as an alternate employer.

- 1.7 Prior to commencing work under this Agreement, Subcontractor shall provide Metal Shark with certified copies of insurance policies required under this Agreement.
- 1.8 CONTRACTOR shall provide COMPANY with thirty days' notification of cancellation of any required policies or coverage changes.
- 1.9 Subcontractor will be required to provide a Waiver of Subrogation and Severability of Interest endorsement for all policies, as well as make Metal Shark an additional insured on all its policies. Additional insured endorsements should be CG 2010 10 01 and 2037 10 01 or equivalent forms. All policies shall apply on a primary and non-contributory basis in respects to coverage for Metal Shark.