**INSURANCE EXHIBIT – NORTH TORRANCE WELL FIELD PROJECT, PHASE 3**

1. CONTRACTOR and its subcontractors must maintain at its sole expense the following insurance, which will be full coverage not subject to self insurance provisions:

1. Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:

a. Primary Bodily Injury with limits of at least $500,000 per person, $1,000,000 per occurrence; and

b. Primary Property Damage of at least $250,000 per occurrence; or

c. Combined single limits of $1,000,000 per occurrence.

2. General Liability including coverage for premises, products and completed operations, independent contractors/vendors, personal injury and contractual obligations with combined single limits of coverage of at least $5,000,000 per occurrence.

3. Workers’ Compensation with limits as required by the State of California and Employer’s Liability with limits of at least $1,000,000.

4. CONTRACTOR hereby grants to CITY a waiver of any right to subrogation which any insurer of CONTRACTOR may acquire against the CITY by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the CITY has received a waiver of subrogation endorsement from the insurer.

1. The insurance provided by CONTRACTOR will be primary and non-contributory. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, or volunteers shall be excess of the CONTRACTOR’s insurance and shall not contribute with it.
2. CITY (“City of Torrance”), the Successor Agency to the former Redevelopment Agency of the City of Torrance, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insured under the automobile and general liability policies. Coverage can be provided in the form of an endorsement to the CONTRACTOR’s insurance or applicable policy language.
3. CONTRACTOR must provide certificates of insurance and endorsements indicating appropriate coverage, to the City Clerk of the City of Torrance before the commencement of work and amendatory endorsements or copies of the applicable policy language.
4. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without notice to CITY.
5. CONTRACTOR must include all subcontractors as insureds under its policies or must furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors will be subject to all of the requirements of this document.
6. SUFFICIENCY OF INSURERS: Insurance required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated “B+” or better in the most recent edition of Best’s Key Rating Guide, and only if they are of a financial category Class A:VII or better, unless these requirements are waived by the Risk Manager of CITY (“Risk Manager”) due to unique circumstances. In the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to CITY, the CONTRACTOR agrees that the minimum limits of any insurance policies or performance bonds required by this Agreement may be changed accordingly upon receipt of written notice from the Risk Manager; provided that CONTRACTOR will have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of CITY within 10 days of receipt of notice from the Risk Manager.