

**Attachment A**  
**BAXTER FAMILY HOUSING PHASE I – VERTICAL CONSTRUCTION**

**INDEMNITY AND INSURANCE REQUIREMENTS**

**1. INDEMNIFICATION**

- A. To the fullest extent permitted by law, Contractor shall release, defend, indemnify and hold **Cook Inlet Housing Authority (“CIHA”), Baxter Borealis I Limited Partnership c/o Cook Inlet Housing Authority, Cook Inlet Housing Development Corporation (“CIHDC”), Alaska Housing Finance Corporation and the State of Alaska , State of Alaska Department of Commerce, Community and Economic Development, Northrim Bank, and R4 BFAK Acquisition LLC and R4 Capital LLC**, its subsidiaries, directors, officers, agents, officials, employees and consultants (collectively, “**Indemnified Parties**”) harmless from and against all claims or loss, including without limitation any and all demands, suits, expenses, damages, fines, charges, liens, actions or liability of any nature, kind or character whatsoever, and including without limitation, claims or loss resulting from injury, death, economic loss, violation of statutes, ordinances, constitutions or other laws, rules or regulations, contractual claims, attorneys’ fees, costs or expenses or any other kind of loss (collectively, “claims or loss”), related to, resulting from or arising directly or indirectly out of the activities of Contractor, the performance, failure of performance or breach of any term of this Contract by Contractor, or by any person or entity employed by Contractor in the performance of this Contract, regardless of whether such claim or loss is caused in part by **Indemnified Parties**.
- B. Contractor’s responsibility for defense and indemnification extends to and includes any claim or loss alleging acts or omissions by **Indemnified Parties** that are said to have contributed to the claim or loss. However, Contractor shall not be required to indemnify an **Indemnified Party** for any claim or loss that results from the sole negligence or willful misconduct of the **Indemnified Party**.
- C. In any and all claims against the **Indemnified Parties** by any employee of Contractor, anyone directly employed by Contractor or anyone for whose acts the Contractor may be liable, the indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor under workers’ compensation acts, disability benefit acts or other employee benefit acts.
- D. Contractor agrees that as part of any subcontract, its subcontractor shall provide assurance of defense and indemnity in **Indemnified Parties’** favor that are identical in scope as those assumed by Contractor under the terms of this Contract.
- E. The requirement of any insurance required of Contractor under this Contract shall not limit Contractor’s indemnification responsibilities under this section in any way.

**2. INSURANCE**

- A. Without limiting the Contractor's indemnification responsibilities, it is agreed that Contractor shall purchase, at its own expense, and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Such policies shall be primary to any policies held by CIHA.
- B. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the Contractor's policy contains higher limits, CIHA shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished

**BAXTER FAMILY HOUSING PHASE I – VERTICAL CONSTRUCTION  
BAXTER BOREALIS I LIMITED PARTNERSHIP**

to the Manager of Procurement prior to fully executing the Contract, and as a condition of payment, Contractor shall purchase and maintain insurance that will protect it from the claims arising out of its operations under the Contract, whether the operations are by Contractor, or any of its consultants or subcontractors or anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. This includes Worker's Compensation Insurance, Employer's Liability Insurance, Comprehensive General Liability Insurance and Automobile Liability Insurance.

- C. Contractors' insurance shall name **Cook Inlet Housing Authority ("CIHA"), Baxter Borealis I Limited Partnership c/o Cook Inlet Housing Authority, Cook Inlet Housing Development Corporation ("CIHDC"), Alaska Housing Finance Corporation and the State of Alaska , State of Alaska Department of Commerce, Community and Economic Development, Northrim Bank, and R4 BFAK Acquisition LLC and R4 Capital LLC** as additional insureds, except for Worker's Compensation. All insurance policies shall comply with and be issued by insurers licensed to transact the business of insurance under Alaska Statutes Title 21.
- D. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this Contract and shall be grounds for termination of the Contractor's services. All insurance companies obligated under the following described policies must have a best rating of "A - VII" or better as identified in the *A.M. Best Insurance Rating Guide*, most recent edition.

**3. MINIMUM LIMITS OF LIABILITY**

Contractor shall maintain with a company satisfactory to **CIHA** at least the limits of liability set forth below. The requirements of this section shall not limit Contractor's indemnification responsibilities as provided in the Contract.

A. Worker's Compensation and Employers' Liability: Contractor shall provide and maintain, for all employees engaged in work under this Contract, coverage as required by AS 23.30.045; and, where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. This policy must waive subrogation against **Cook Inlet Housing Authority ("CIHA"), Baxter Borealis I Limited Partnership c/o Cook Inlet Housing Authority, Cook Inlet Housing Development Corporation ("CIHDC"), Alaska Housing Finance Corporation and the State of Alaska , State of Alaska Department of Commerce, Community and Economic Development, Northrim Bank, and R4 BFAK Acquisition LLC and R4 Capital LLC**.

1. Workers Compensation - Statutory limits
2. Employers Liability: a) \$1,000,000 Each Accident Bodily Injury; b) \$1,000,000 Disease Per Employee; c) \$1,000,000 Policy Limit Bodily Injury

B. Commercial General Liability Insurance: Covering all business premises used by and operations conducted by the Contractor in the performance of services under this Contract with minimum coverage limits of \$1,000,000 combined single limit per occurrence. This policy must waive subrogation against **Cook Inlet Housing Authority ("CIHA"), Baxter Borealis I Limited Partnership c/o Cook Inlet Housing Authority, Cook Inlet Housing Development Corporation ("CIHDC"), Alaska Housing Finance Corporation and the State of Alaska , State of Alaska Department of Commerce,**

**BAXTER FAMILY HOUSING PHASE I – VERTICAL CONSTRUCTION  
BAXTER BOREALIS I LIMITED PARTNERSHIP**

**Community and Economic Development, Northrim Bank, and R4 BFAK Acquisition LLC and R4 Capital LLC.**

1. \$1,000,000 Each Occurrence
2. \$2,000,000 General Aggregate Per Project
3. \$2,000,000 Products-Completed Operations Aggregate
4. \$1,000,000 Personal and Advertising Injury
5. \$50,000 Fire Damage Legal Liability (per fire)
6. \$5,000 Medical Expense (per person)

The additional following provisions apply to the **Contractor**:

- a. **Deductible:** \$25,000 maximum per occurrence and stated on the ACORD 25 Form.
  - b. **Aggregate:** If the policy covers multiple locations, a per project aggregate limit is required and must be endorsed onto the policy, using ISO Endorsement CG 25 03, or its equivalent.
  - c. **Pollution:** Pollution exclusion must specify that hostile fire or building heating equipment and products is not excluded.
  - d. **Additional Interests Coverage:** To be provided under ISO Endorsement CG 20 10, or its equivalent, for the Additional Insureds listed in Section 7 below. Coverage is to apply on a primary non-contributory basis when coverage under other policies are available to the additional insureds, using CG 20 01, or its equivalent. If coverage is written on any other forms, copies must be attached.
  - e. **Construction Related Activities:** Coverage shall not limit liability arising from construction related activities.
  - f. **Unacceptable Exclusions:**
    - i. "Limitation of Coverage to Designated Premises or Project", ISO CG 21 44 07 98, or its equivalent; and
    - ii. Residential work exclusions or limitations, or subcontractor warranty provisions.
    - iii. Professional Liability exclusions are not to apply to bodily injury, personal injury or property damage.
- C. Vehicle Liability Insurance - Covering all vehicles, owned, leased, hired or non-owned, used by the Contractor in the performance of services under this Contract with minimum coverage limits of \$1,000,000 combined single limit of bodily and property damage. This policy must waive subrogation against **Cook Inlet Housing Authority ("CIHA"), Baxter Borealis I Limited Partnership c/o Cook Inlet Housing Authority, Cook Inlet Housing Development Corporation ("CIHDC"), Alaska Housing Finance Corporation and the State of Alaska , State of Alaska Department of Commerce, Community and Economic Development, Northrim Bank, and R4 BFAK Acquisition LLC and R4 Capital LLC.**

The additional following provisions apply to the **Contractor**:

1. Policy Form: ISO Business Auto form CA 00 01, or its equivalent.
2. Coverage to apply on a primary and non-contributory basis when other insurance is available to the additional insureds.

**BAXTER FAMILY HOUSING PHASE I – VERTICAL CONSTRUCTION  
BAXTER BOREALIS I LIMITED PARTNERSHIP**

D. **Umbrella/Excess Liability Coverage** – Contractor shall provide coverage no less broad than the underlying Commercial General Liability, Vehicle, and Employers Liability policies required above, with limits of \$3,000,000 per occurrence and annual aggregate. Aggregates are to apply on a per project basis. If coverage is not following form, differences must be identified. Additional insureds: **Cook Inlet Housing Authority (“CIHA”), Baxter Borealis I Limited Partnership c/o Cook Inlet Housing Authority, Cook Inlet Housing Development Corporation (“CIHDC”), Alaska Housing Finance Corporation and the State of Alaska, State of Alaska Department of Commerce, Community and Economic Development, Northrim Bank, and R4 BFAK Acquisition LLC and R4 Capital LLC.** Coverage to apply on a primary and non-contributory basis when other insurance is available to the additional insureds.

**4. CANCELLATION, RENEWAL AND MODIFICATION**

Contractor shall maintain in effect all insurance coverages required under the Contract at Contractor's sole expense and with insurance companies acceptable to CIHA. All policies shall contain a provision that coverage will not be modified, cancelled or not renewed until at least thirty (30) days prior written notice has been given to **Cook Inlet Housing Authority (“CIHA”), Baxter Borealis I Limited Partnership c/o Cook Inlet Housing Authority, Cook Inlet Housing Development Corporation (“CIHDC”), Alaska Housing Finance Corporation and the State of Alaska , State of Alaska Department of Commerce, Community and Economic Development, Northrim Bank, and R4 BFAK Acquisition LLC and R4 Capital LLC,** Certificates of insurance showing required coverage to be in force pursuant to this Section shall be filed with and approved by CIHA prior to commencement of the Work. In the event Contractor fails to obtain or maintain insurance coverage required under the Contract, CIHA may purchase such coverage as desired for **Indemnified Parties’** benefit and charge the expense to Contractor or terminate the Contract for default.

**5. CONTINUATION OF COVERAGE**

If any of the required liability insurance is on a claims made basis, “tail” coverage will be required at the completion of this contract for twelve (12) months, or the maximum time period reasonably available in the marketplace. Contractor shall furnish certification of “tail” coverage as described or continuous “claims made” liability coverage for twelve (12) months following Contract completion. Continuous “claims made” coverage will be acceptable in lieu of “tail” coverage provided its retroactive date is on or before the effective date of this Contract. If Continuous “claims made” coverage is used, Contractor shall be required to keep the coverage in effect for not less than twelve (12) months from the end of the Contract. This will be a condition of the final acceptance of work or services.

**6. SUBCONTRACTORS**

Contractor agrees that as part of any subcontract, Contractor shall require its subcontractors, including second tier and lower subcontractors, to provide assurance of compliance with all insurance provisions applicable to Contractor herein, including policy limits that are identical in scope to those required of Contractor, except as expressly modified by this Section 6, or as otherwise agreed in writing by **Contractor and Cook Inlet Housing Authority (“CIHA”), Baxter Borealis I Limited Partnership c/o Cook Inlet Housing Authority, Cook Inlet Housing Development Corporation (“CIHDC”), Alaska Housing Finance Corporation and the State of Alaska , State of Alaska Department of Commerce, Community and**

**BAXTER FAMILY HOUSING PHASE I – VERTICAL CONSTRUCTION  
BAXTER BOREALIS I LIMITED PARTNERSHIP**

**Economic Development, Northrim Bank, and R4 BFAK Acquisition LLC and R4 Capital LLC.** *Certificates of Insurance must be provided for all additional insureds.*

Minimum Umbrella/Excess Liability limits applicable to subcontractors, including second tier and lower subcontractors, shall be as follows:

<b><u>Contract Amount</u></b>	<b><u>Required Umbrella/Excess Liability Limit</u></b>
Under \$1,000,000	\$1,000,000
Over \$1,000,000	\$3,000,000

**7. ADDITIONAL INSUREDS and CERTIFICATE HOLDERS**

Contractor's insurance shall name all entities below as Additional Insured, except for Worker's Compensation. Coverage shall apply on a primary non-contributory basis when other insurance is available to the additional insured. Certificates shall be issued with each entity indicated as a certificate holder.

NOTED: Spelling and punctuation of the **Additional Insured** names must be exactly as shown below:

<b>Owner:</b> Baxter Borealis I Limited Partnership c/o Cook Inlet Housing Authority, 3510 Spenard Road, Anchorage, Alaska 99503	<b>General Partner:</b> Cook Inlet Housing Development Corporation 3510 Spenard Road Anchorage, Alaska 99503
<b>Grantor:</b> Alaska Housing Finance Corporation and the State of Alaska PO BOX 101020 Anchorage, Alaska 99510	<b>Landlord:</b> <b>Cook Inlet Housing Authority</b> 3510 Spenard Road Anchorage, Alaska 99503
<b>Grantor:</b> State of Alaska, Dept of Commerce, Community and Economic Development 550 W. 7 <sup>th</sup> Avenue, Suite 1535 Anchorage, Alaska 99501	<b>Lender:</b> Northrim Bank Attn: Loan Servicing Dept PO BOX 241489 Anchorage, Alaska 99524
<b>Investor:</b> R4 BFAK Acquisition LLC And R4 Capital, LLC 155 Federal Street, Suite 1602 Boston, MA 02110	

**8. ACORD CERTIFICATE OF INSURANCE FORM**

1. Produce one certificate for each of the insured parties.
2. In the description, reference: **Baxter Family Housing Phase I – Vertical Construction, 4220 Baxter Road, Anchorage, Alaska**

**BAXTER FAMILY HOUSING PHASE I – VERTICAL CONSTRUCTION  
BAXTER BOREALIS I LIMITED PARTNERSHIP**

Certificates MUST state exactly: **“The certificate holder is an additional insured with primary and non-contributory status on the general liability and automobile policies. Waiver of Subrogation is provided in favor of the certificate holder under the general liability, automobile and workers compensation policies.”**

3. Provide copies of all endorsements for additional insured and waiver of subrogation in addition to the certificate of insurance.
4. Make sure that the Certificate of Insurance:
  - a. identifies all NAIC#
  - b. The additional insured and subrogation waived columns are checked where applicable
  - c. All policy numbers are identified
  - d. All appropriate boxes checked.
  - e. Deductible amounts identified.
  - f. Description follows the language under #2 provided above.
  - g. Attach the appropriate endorsements or policy documents.