

**ATTACHMENT F**  
**COUNTY OF ORANGE INSURANCE REQUIREMENTS**

Insurance. While any obligation of Borrower under any Loan Document remains outstanding, Borrower shall maintain at Borrower's sole expense, the following policies of insurance in form and substance as follows:

- A. Commercial General Liability insurance in an amount not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate;
- B. Commercial Auto Liability insurance covering all owned or scheduled, non-owned and hired autos with a limit of \$1,000,000 combined single limit each accident;
- C. Statutory Workers' compensation insurance and Employer's Liability with a minimum limit of \$1,000,000 per occurrence;
- D. Commercial Property Insurance on an "All Risk" or "Special Causes of Loss" form for 100% of the Replacement Cost Value and no coinsurance provision. (including insurance against loss by flood if the Project is located in an area now or hereafter designated as subject to the danger of flood but excluding insurance against loss by earthquake). Builders Risk coverage is required for new construction or any major remodels.
- E. Rent loss insurance for a period of at least one year
- F. The Commercial Property policy and Builders Risk policy if applicable, shall include a "lender's loss payable endorsement" to the County assuring County that all proceeds shall be paid to County as provided in the Deed of Trust subject to the interests of the senior lenders on the Project. The County shall be an additional insured with ISO forms Cg 20 26 04 13 and ISO form Cg 20 37 04 13, or comparable forms that provide the same broad coverage, on the Commercial General Liability policy, and such insurance shall be primary, and any insurance maintained by the County shall be excess and non-contributing. Evidence of primary and non-contributory coverage shall be provided with ISO form CG 20 01 04 13, or a form at least as broad. All policies shall waive all rights of subrogation against the County, its elected and appointed officials, officers, agents, and employees. The general liability policy shall contain a severability of interest's clause. Certificates of insurance and endorsements for all of the above policies (and/or original policies, if required by the County from time to time), showing the same to be in full force and effect, shall be delivered to the County.
- G. All self-insured retentions (SIR)'s shall be clearly stated on the Certificate of Insurance. Any SIR in excess of Fifty Thousand Dollars \$50,000 shall specifically be approved by the County's Risk Manager, or designee. The County reserves the right to require current audited financial reports from Contractor. If Contractor is self-insured, Contractor will indemnify the County for any and all claims resulting or arising from Contractor's services in accordance with the indemnity provision stated in this contract.

If the Borrower fails to maintain insurance acceptable to the County for the full term of this Contract, the County may terminate this Contract.

- H. **Qualified Insurer**

The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**).

If the insurance carrier does not have an A.M. Best Rating of A-/VIII, Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

- I. Borrower shall file with the County, prior to the funding of the Loan, a Certificate of Insurance together with all required endorsements evidencing that the coverage required under this Loan Agreement is in full force and effect.
- J. All contractors and subcontractors performing work on behalf of Borrower pursuant to this Loan Agreement shall be covered under Borrower's insurance or shall obtain insurance subject to the same terms and conditions as set forth herein for Borrower.
- K. The County retains the rights at any time to review the coverage, form and amount of the insurance required hereby. If, in the opinion of the County, the insurance provisions in this Loan Agreement do not provide adequate protection for the County, the County may require Borrower to obtain insurance sufficient in coverage, form, and amount to provide adequate protection. The County's said additional requirements shall be reasonable and shall be designed to assure protection from and against the kind and extent of risks that exist at the time a change in insurance is required. County shall notify Borrower in writing of changes in the insurance requirements. If Borrower does not deposit copies of acceptable certificates of insurance and endorsements with the County incorporating such changes within thirty (30) days of receipt of such notice, said failure shall constitute, at the option of County, an Event of Default (hereinafter defined in Article VIII) this Loan Agreement without further notice to Borrower.
- L. The procuring of such required policy or policies of insurance shall not be construed to limit Borrower's liability hereunder nor to fulfill the indemnification provisions and requirements of this Loan Agreement.