

ENDORSEMENT # 21

COVERAGE – PROVISION FOR SUBCONTRACTED WORK

With respect to work performed on your behalf by a subcontractor “engaged” by you, you agree to comply with the following conditions:

- (1) Contractual Indemnification: You have entered into, or will enter into, a valid and enforceable contract with each subcontractor "engaged" by you.
 - (a) Such contract shall stipulate that such subcontractor "engaged" by you will agree to defend, hold harmless and indemnify you and any person on whose behalf you are performing work and/or are required to defend, hold harmless and indemnify (including but not limited to property owners, general contractors, government entities, and construction managers) for claims and losses due to alleged “bodily injury”, “property damage”, “personal injury” or “advertising injury”.
 - (b) Such indemnification shall apply to the fullest extent permitted by applicable law in the event of claim or loss, including, but not limited to any "suit" arising out of any loss suffered by any employee of the subcontractor (and any person or any employee of any entity "engaged" by such subcontractor).
 - (c) Such indemnification shall apply unless such loss arises solely out of your negligence.
- (2) Insurance Coverage: You and any person on whose behalf you are performing work and/or are required to defend, hold harmless and indemnify (including but not limited to property owners, general contractors, government entities and construction managers) are to be named as additional insureds under a valid and collectible Commercial General Liability Policy written on behalf of each subcontractor "engaged" by you out of whose work (or work performed by any person or entity "engaged" by such contractor) such claim or loss due to alleged "bodily injury", "property damage", "personal injury", or "advertising injury" arose.
 - (a) Such policy shall be written on terms no less broad than ISO Form CG 00 01 10 01 (2001 Occurrence Form) with limits of not less than \$1,000,000. any one occurrence, \$2,000,000. general aggregate and \$1,000,000. products-completed operations aggregate.
 - (b) Such coverage shall apply to the fullest extent permitted by applicable law in the event of loss, including, but not limited to any "suit" arising out of any loss suffered by an employee of the subcontractor (and any person or any employee of any entity "engaged" by such subcontractor).
 - (c) Such coverage shall apply to such loss unless such loss arises solely out of your negligence.

- (d) Such coverage shall be primary to any limits available under this policy, notwithstanding any other clause to the contrary, including but not limited to any Other Insurance Clause contained in this policy or subcontractor's policy.
- (e) You will endeavor to obtain certificates of insurance evidencing such coverage from all such subcontractors.

For purposes of this endorsement, "engaged" means obtained the services of, or contracted with, to perform work, regardless of whether or not there exists a formal, written contract.

- (3) As a condition of binding coverage, you agree to have written procedures in place requiring indemnification from subcontractors "engaged" by you.

ERRORS & OMISSIONS

In the event of your non-compliance with Paragraph (1) of the Coverage – Provision For Subcontracted Work Endorsement or where the subcontractor does not provide coverage in accordance with Paragraph (2) of the Coverage – Provision For Subcontracted Work Endorsement, the self-insured retention is amended to read \$25,000.00 with respect to any claim or loss arising out of work performed on your behalf by such subcontractor. This is a conditional self-insured retention, not a deductible – it does not erode the Policy coverage limits. The Policy coverage limits stated in the Declarations become excess to the conditional self-insured retention and are not reduced by it. Furthermore, this conditional self-insured retention does not apply to the separate interests of the City of New York and its officials and employees when this Policy provides additional insured status to the City of New York and its officials and employees. The Company will investigate, defend, and pay all sums due under the insuring agreement for the named insured(s) up to the available policy limits if necessary. The Company will not require the named insured(s) to fund SIR amounts in advance of the Company's undertaking of defense and indemnity payments.

PRIME SPECIALTY

ALL OTHER TERMS AND CONDITIONS REMAINING UNCHANGED.