

SHAW INDUSTRIES GROUP, INC. CONTRACTORS AND VENDOR INSURANCE REQUIREMENTS

Unless otherwise agreed to in writing, the Contractor or Vendor shall, at its sole expense, maintain in effect at all times during the performance of work and completed operations, insurance coverage with limits, not less than those set forth below with insurers and policy forms satisfactory to Shaw Industries Group, Inc. The insurance companies must have **A.M. Best ratings of at least A or better**. Contractor or Vendor shall cause its subcontractors at the jobsite or premise to obtain and maintain insurance policies to protect Shaw Industries Group, Inc. in accordance with the same insurance requirements. All insurance provided by the Contractor or Vendor and its subcontractors shall be primary and any similar insurance maintained by Shaw Industries Group, Inc. shall be excess thereof and not contributory with Contractor's or its subcontractor's insurance. Shaw Industries Group, Inc. shall be given thirty (30) days written notice in the event of cancellation, non-renewal or material alteration of any policy. All insurance provided by Contractor shall name Shaw Industries Group, Inc., and its subsidiaries as an "additional insured" except Workers' Compensation.

MINIMUM COVERAGE

All contracts for work on Shaw Industries Group, Inc. property must contain the following minimum coverage; however, such limits shall not limit Contractor or Vendor's liability hereunder.

A. Workers' Compensation and Employers' Liability

1. Coverage "A" – Statutory coverage in all states, including all areas involved in operations covered under this contract/work order.
2. Coverage "B"-Employer's Liability
 - a. Limit \$1,000,000 each accident
 - b. Limit \$1,000,000 bodily injury by disease (policy limit)
 - c. Limit \$1,000,000 bodily injury by disease (each person)

B. Comprehensive General Liability

1. Limits of liability \$1,000,000 Per Occurrence/ \$2,000,000 General Aggregate
Per project aggregate of \$2,000,000
2. Products- Completed Operations \$2,000,000 limit
Personal and Advertising Injury \$1,000,000 limit
Medical Expenses \$5,000 limit
Fire Damage \$500,000 limit
3. Commercial General liability Coverage/ Comprehensive General Liability Form.
4. Broad Form Contractor's Protective liability / Independent Contractors Liability
5. Waiver of Subrogation in favor of Shaw Industries Group, Inc.

C. Automobile Liability

1. Limits of Liability \$1,000,000 Combined Single Limit Each Accident / Loss
2. Covered Autos: Owned, Non-Owned, Hired or Leased
3. Waiver of Subrogation in favor of Shaw Industries Group, Inc.

D. Umbrella Liability

Limit of Liability \$1,000,000 Combined Single Limit per Occurrence / Aggregate*

*Any Contractor or Vendor performing electrical, machine repairs, roofing, construction (Buildings, etc.), Common Carrier's and Environmental Remediation will be required to carry **\$5 MM Umbrella Liability**.

E. Malpractice Liability

1. Any Health Care Vendor that has "Hands-ON" contact with employees shall be required to carry malpractice coverage liability limits of **\$1,000,000** per occurrence / **\$3,000,000** aggregate.

A current certificate of insurance must be supplied naming Shaw Industries Group, Inc. as additional insured indicating the above coverage prior to execution of the Contract, Agreement, Purchase Order and/or commencement of work.

ADDITIONAL COVERAGE

The following additional insurance coverage may be required for specific projects, to be determined by the Shaw Industries Group, Inc. Project Manager. When such other coverage is required they must be written into the contract. Examples of projects that may require additional insurance coverage are work on extrusion plants expansions, or work on a capital projects.

1. If any cranes are used, riggers' liability will be required with a \$2,000,000 limit.
2. Performance bonds may be requested for specific projects.
3. Cargo Policy showing value of materials furnished by contractor.
4. Certain environmental projects may require environmental impairment liability limits of \$5,000,000. Coverage must be maintained without interruption from date of commencement of the work and until five (5) years following the date of final payment.
5. On certain jobs Shaw's Corporate Engineering Group or Risk Management may require general contractors to carry builders' risks "all risk" coverage for the full replacement value of the projects to include fire, theft, and transit coverage. Any policies maintained by the contractor on their own and/or rental equipment and materials shall contain a provision requiring the insurance carriers to waive their rights to subrogation against Shaw Industries Group, Inc.
6. In the event this agreement requires the contractor to provide professional services such as but not limited to, architectural engineering, construction management, surveying, design, etc., a certificate of insurance must be provided evidencing professional liability coverage with a limit of not less than \$2,000,000. Any material change in limits, coverages or loss of aggregate limit due to outstanding claims must be reported to Shaw Industries Group, Inc. Risk Management within thirty (30) days of any such event.
7. The contractor or Vendor may be required to provide coverage in the amount equal to the total value of the contractor portion of a specific project.

Maintenance of said minimum insurance shall be a condition precedent to the payment of Contractor for compensation of the work or services provided to Shaw Industries Group, Inc. Failure to maintain said insurance, as required shall constitute a material breach and shall be sufficient grounds for immediate cancellation of Contract.

Please fax a copy to **(706) 428-3289**. Or forward the original certificate to:

Certificate Holder:
Shaw Industries Group, Inc.
Attn: Risk Management
PO Box 2128, Mail Drop 0WD-53
Dalton, GA 30722

If you have any question with Shaw Industries Group, Inc. insurance requirements, please contact Raymond Holt, Risk Mgt. Dept. at (706) 532-2874.