



Partner Insurance Requirements (Tier-1)

This Insurance Schedule ("Schedule") sets forth insurance requirements applicable to Sterling's Partners when the total amounts paid between Sterling and Partner actually exceeds or is anticipated to exceed within any twelve (12) month period one hundred thousand dollars (\$100,000).

1. **ELIGIBLE INSURERS.** Insurers must have an A.M. Best rating of A- or better with a minimum financial size of VIII.
2. **LIABILITY CERTIFICATES.** Each liability certificate must list Sterling as certificate holder as set forth in Table A and must include in the "description of operations" box the details set forth in Table B.
3. **COVERAGE.** Coverage must meet or exceed the minimum insurance coverage limits set forth in Table C.

Table A

Certificate Holder

Sterling Computers Corporation
303 Centennial Drive
North Sioux City, SD 57049

Table B

Descriptions of Operations

- Named Additional Insured section: "Sterling and affiliates and its and their officers, directors and employees are named as an additional insured for the general liability and auto liability lines of coverage."
- Waiver of Subrogation section: "General Liability, Worker's Compensation and Automobile Liability lines of coverage noted above waives all rights of subrogation against certificate holder, its officers, directors, and employees, and certificate holder's subsidiaries and affiliated companies, and their respective officers, directors, and employees."
- Primary Insurance section: "General liability insurance noted above is primary and non-contributory to any insurance or self-insurance of certificate holder, or certificate holder's subsidiaries and affiliated companies."
- Cancellation Section: "Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions."

Table C

C.1. Commercial General Liability

- \$1,000,000 each occurrence
- \$2,000,000 general aggregate
- \$2,000,000 products/completed operations aggregate
- Must include premises/operations liability; independent contractors liability; and broad form contractual liability
- Must include a waiver of subrogation in favor of Sterling unless prohibited by applicable law.
- Must include Sterling as “additional insured” unless prohibited by applicable law.
- Must contain cross-liability and severability of interest coverage unless prohibited by applicable law.

C.2. Errors and Omissions / Professional Liability

- Errors and Omissions / Professional Liability is only required to the extent Partner provides services to Sterling. It is not required for transactions between the Parties that are solely Partner’s provision of hardware, software, or a combination of both hardware and software to Sterling.
- \$5,000,000 each occurrence
- \$5,000,000 general aggregate
- Must cover financial loss arising from acts, errors, or omissions in Partner’s performance of its services.
- Must cover liability for intentional and unintentional disclosure of personally identifiable information and violations of any Applicable law with respect to privacy
- Must cover liability for costs of privacy breach notification costs and public relations expenses
- Must have a retroactive date prior to the Effective Date of the Agreement and be maintained throughout the Term and for three (3) years thereafter (only required if the policy written on a claims-made basis)

C.3. Workers Compensation

- Workers Compensation is only required to the extent any employees of Company are based in the U.S. or perform work in the U.S.
- Must include coverage in the state(s) or jurisdiction(s) in which Company’s employees perform the Services
- Must comply with the statutory minimum limits required by Applicable law
- Must include a waiver of subrogation in favor of Sterling unless prohibited by applicable law

C.4. Employer's Liability

- Employer's Liability is only required to the extent Partner performs work on-site at a facility of Sterling or a third party.
- Must include coverage in each jurisdiction in which Company's employees are based
- For the U.S: \$1,000,000 for each accident and \$1,000,000 for each employee for occupational disease
- For the U.K. and Ireland: €12,700,000
For all other countries: €500,000
- Must include a waiver of subrogation in favor of Sterling unless prohibited by Applicable Law

C.5. Automobile Liability

- Automobile Liability is only required to the extent Partner will operate vehicles in connection with the performance of its obligations for transactions with Sterling.
- \$1,000,000 per occurrence for bodily injury and property damage
- Must include coverage for all owned, hired, and non-owned vehicles
- Must comply with the minimum limits required by Applicable Law
- Must include a waiver of subrogation in favor of Sterling unless prohibited by Applicable Law
- Must include Sterling as an "additional insured" unless prohibited by Applicable Law

C.6. Crime or Fidelity Liability

- Crime or Fidelity Liability is only required to the extent Partner performs work on-site at a facility of Sterling or a third party.
- \$1,000,000 each loss
- Must be endorsed as needed to cover loss of money or property belonging to Sterling or a third party due to dishonesty of Partner.