

EXHIBIT H

Insurance Requirements Guidelines

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Exhibits:

Property Underwriting (To Be Provided Upon Designation)

Liability Loss Summary (To Be Provided Upon Designation)

PURPOSE & SCOPE:

The purpose of these guidelines is to summarize the anticipated terms and conditions of NYCHA's insurance requirements for the Designated Project Team. These guidelines may be utilized to benchmark - on a preliminary basis - the cost of insurance during construction and operational phases of the Project(s).

Final insurance requirements - and all terms and conditions thereto - are contingent on the final Project scope contained in the legal agreements applicable to the Project. NYCHA Risk Management will review these requirements with its Real Estate Development Department and Law Department as well as with the Designated Project Team and will finalize these requirements once the Project scope and related agreements are drafted prior to closing.

NYCHA's insurance requirements for the Project are set forth in agreements by and between NYCHA and the Designated Project Team. While it will be the Designated Project Team's sole responsibility to see that these requirements are met, it is understood that certain requirements may be met on behalf of the Designated Project Team by other parties, such as the developer, general contractor, or property manager as provided for in the related contractual agreements.

For avoidance of doubt, it is the intent of NYCHA that all insurable risk pursuant to the Properties and all operations thereof be transferred to the Designated Project Team on a primary basis, and that any NYCHA legal entity engaged in the Development (for example, as part of the ownership structure) is protected from insurable risks in a manner consistent with the indemnification provisions of the contractual agreements applicable to the Project. The Designated Project Team and its insurers will acknowledge that any other insurance NYCHA obtains or maintains with respect to these Properties shall be contingent and excess to the insurance required below and shall be structured to inure to NYCHA's sole benefit.

These guidelines and the final requirements are exclusive of any other statutory or contractual insurance requirements which may be imposed by any other party on the Designated Project Team pursuant to the Development.

IMPORTANT NOTE: In cases where a) Section 8 conversion is not effective on date of closing and/or b) a Development continues to include, or may include Section 9 Public Housing Units, HUD insurance requirements may apply. While these scenarios are not generally anticipated, waivers from these requirements may need to be requested by the Designated Project Team.

REQUIREMENTS FOR ALL INSURANCE:

The following requirements pertain to ALL insurance policies obtained and maintained with respect to the Development, unless otherwise noted below:

Insurers – All insurance shall be underwritten by an insurance company that is licensed - or otherwise legally permitted - to transact business in the state of New York and has an AM Best policyholder rating of A- or greater and a financial size category of VII or greater. Insurance may alternately be underwritten by a Lloyd's of London syndicate or Surplus Lines Insurers legally permitted to underwrite business in the State of New York.

Blanket Insurance Policies – Designated Project Team may elect to include the Development in a blanket insurance program with other assets owned or managed by the Designated Project Team, or its members or other parties who may place insurance on behalf of Designated Project Team. NYCHA's approval of such policies shall not be unreasonably withheld provided Designated Project Team acknowledges NYCHA's interest in, and right to review and approve the sharing of limits, concentration of risk, premium allocation and other policy/program terms and conditions.

Alternative Risk Financing & High Retention/Deductible Programs – Self-Insurance, Captive Insurance, participation in Insurance Purchasing Groups or insurance with retentions/deductibles excess of \$250,000 per occurrence or claim must be approved by NYCHA. Approval of Alternative Risk Financing will not be unreasonably withheld, provided that the financial resources and responsibility to pay claims in a manner consistent with the insurance required below is lawful, demonstrable and credible. The Designated Project Team is responsible for all deductibles and retentions.

Waiver of Subrogation - All policies must include a Waiver of Subrogation in favor of each NYCHA entity engaged in the transaction wherever commercially available.

Primary/Non-Contributory - All policies must apply on a primary basis to any similar insurance carried by any NYCHA entity engaged in the transaction and not seek contribution from the same wherever commercially available.

Additional Insured - All liability policies must include each NYCHA entity engaged in the transaction as Additional Insured or provide equivalent protection to each NYCHA entity wherever commercially available.

Severability of Interests - All policies must include the provision commonly known as Severability of Interests or Separation of Insureds wherever commercially available.

Loss Payee (ISAOA ATIMA) - To the extent NYCHA retains an ownership interest or other financial interest in the assets or revenue of the Development, then each NYCHA entity, its successors or assigns (ISOA) must be named as Loss Payee on all First-Party Property and Builder's Risk policies as their interest may appear (ATIMA).

Notice of Cancellation - All policies must include provisions providing NYCHA with 30 days' notice of cancellation, except 10 days for non-payment of premium, where commercially available.

REQUIREMENTS FOR PROPERTY & BUILDER'S RISK INSURANCE:

The scope of work and development phase will determine which policy form will be appropriate. All physical property including without limitation, existing structures, infrastructure, furniture, fixtures and equipment, contents, and any improvements and betterments conveyed via contract or thereafter constructed must be insured as follows:

100% Replacement Cost Valuation / No Coinsurance – Total Insured Value (TIV) as credibly substantiated by Tenant and approved by NYCHA. For cost estimate and closing, the TIV currently appraised by NYCHA shall be provided with respect to existing structures and contents, however time element values must be calculated by Designated Project Team. Per Occurrence Loss Limits which are less than the cumulative TIV are subject to NYCHA's approval.

All Risk Policy Form - including:

- **Equipment Breakdown / Boiler & Machinery Insurance** equal to the TIV or Per Occurrence limit selected above.
- **Earthquake, Windstorm, and Flood Insurance** of no less than the lesser of TIV or \$25,000,000 per occurrence as respects Windstorm, and the lesser of TIV or \$5,000,000 per occurrence and in the annual aggregate as respects Earthquake and Flood. National Flood Insurance Program (NFIP) policies are required at the maximum amount available for high-hazard flood zones, or if otherwise required by HUD, lender or any other regulation or statute.
- **Ordinance or Law Coverage** – Coverage must be provided for the costs associated with enforcement of any ordinance or law regulating any physical property (building, structure, machinery or equipment), to:
 - Demolish any physically damaged and undamaged portion;
 - Cover the increased cost for repair or rebuilding of the physically damaged and undamaged portions, whether or not demolition is required.
- **Time Element** limits (i.e. **Business Interruption** or **Rental Income**) equal to no less than 12 months of projected net income derived from the leased premises on an Actual Loss Sustained (ALS) basis.

New Structures and Property in the Course of Construction

All buildings and other structures which are newly constructed pursuant to the ground lease must – during the Course of Construction – be insured on a Completed Value basis, including coverage for soft costs, delay-in-completion and other standard terms & conditions.

REQUIREMENTS FOR LIABILITY AND OTHER INSURANCE:

Through the duration of the Lease, during both construction and operational phases, the Designated Project Team must obtain and maintain the below types of insurance with respect to the Development and any operations thereof. The required limits may be achieved by a combination of primary and excess insurance provided that all terms and conditions are met.

General Liability – \$10,000,000 to \$25,000,000 per occurrence and in the aggregate for bodily injury, personal injury and property damage to third parties. Policies must cover employer over-action and New York Labor Law claims resulting from injury to employees of contractors or subcontractors. If limit is achieved using primary and excess policies under a “master” insurance program that insures other properties, the primary aggregate limit must be issued on a per- project or per-location basis.

Automobile Liability - \$1,000,000 to \$5,000,000 combined single limit per accident, including owned, hired, leased and non-owned vehicles operating on or from the Development or in the course of operations related thereto.

Workers’ Compensation / Employer’s Liability – Workers’ Compensation and Employer’s Liability Insurance as required by New York State Law.

Environmental / Pollution Legal Liability – \$1,000,000 to \$10,000,000 per claim and in the aggregate covering all pollution conditions for which it is Designated Project Team’s duty to indemnify NYCHA entities pursuant to contract. Limits shall be determined prior to closing based on pre-development environmental surveys. In cases with minimal environmental risks, or where environmental risks are remediated or abated during the rehabilitation project, the required limit may be reduced or eliminated if requested by the Designated Project Team and approved by NYCHA .

Employment Practices Liability - \$1,000,000 to \$5,000,000 per claim and in the aggregate covering the employment wrongful acts of the Designated Project Team, it’s general contractor and its property manager, as an employer. Employment Practices Liability must include the industry standard third-party coverage extension, expanding coverage to third party claims of discrimination, harassment, and similar claims typically covered by commercially available Employment Practices Liability Insurance.

Network Security & Privacy Liability Insurance - \$1M per claim and in the aggregate covering statutory and civil liability arising out of a breach of confidential, private or sensitive data in the care, custody and control of the Development Partner.