### ARTICLE 1. GRANT MANAGEMENT REGULATIONS

AHFC's Grant Management Regulations, 15 AAC 154.700 – 154.835, as amended from time to time, are incorporated by reference, and made part of this grant agreement. These regulations provide rules for the administration and management of all AHFC grants.

## ARTICLE 2. GOVERNING LAW

This Grant Agreement is made and entered into in the State of Alaska and shall be governed by the laws of the State of Alaska and any Federal laws and regulations pertaining to this grant program. Any action relating to this Agreement shall be brought in the courts of the State of Alaska, Third Judicial District, at Anchorage, Alaska.

## ARTICLE 3. SEVERABILITY

If any provision under this Grant Agreement or its application to any person or circumstance is held invalid by any court of rightful jurisdiction, this invalidity does not affect other provisions of the Agreement which can be given effect without the invalid provision.

### ARTICLE 4. AMENDMENTS AND MODIFICATIONS

This Agreement, including all attachments and documents which by reference are incorporated herein, contains the entire Agreement between AHFC and the Grantee. Except as provided in 15 AAC 154.770, this Agreement may not be modified or amended except in writing signed by both parties and any purported amendment or modification shall be without legal effect until reduced to writing and signed by both parties.

#### ARTICLE 5. INDEMNIFICATION

The Grantee shall indemnify, hold harmless and defend AHFC and the State of Alaska, their officers, agents, and employees from all liability, including costs and expenses, for all actions or claims resulting from injuries or damages sustained by any person or property arising directly or indirectly as a result of any error, omission, or negligent act of the Grantee, it's contractors, or anyone directly or indirectly employed by Grantee in the performance of this Agreement.

All actions or claims, including costs and expenses, resulting from injuries or damage sustained by any person or property arising directly or indirectly from Grantee's performance under this Agreement which is caused by the joint negligence of AHFC, or the State, and the Grantee shall be apportioned on a comparative-fault basis. Any such joint negligence on the part of AHFC or the State must be a direct result of active involvement by AHFC or the State.

### ARTICLE 6. WAIVER

No provision of this Grant Agreement may be waived unless agreed to in advance by AHFC in writing. AHFC's failure to insist upon strict performance of any provision of the Grant Agreement or to exercise any right based upon a breach thereof, or the acceptance of any performance during such a breach, shall not constitute a waiver of any right under this Grant Agreement.

#### ARTICLE 7. INSURANCE

The apparently successful Grantee must provide the required insurance certificates as described below within ten (10) working days of Notice of Intent to Award. AHFC will not sign a grant agreement or contract, issue a notice to proceed, or make any payment absent the required insurance certificates.

Without limiting Grantee's indemnification, it is agreed that Grantee will purchase at its own expense and maintain in force at all times during the performance of services under this Grant, the following policies of insurance.

AHFC Risk Management reserves the right, but not the obligation, to review and revise any of the following insurance requirements, based on insurance market conditions which may affect the availability or affordability of coverage; or based on changes in the scope of work or specifications that apply to this Grant. In addition, AHFC Risk Management reserves the right, but not the obligation, to review and reject any insurance policies failing to either meet the necessary criteria or that have been provided by an insurer in poor financial condition or legal status.

The requirements contained herein, as well as AHFC Risk Management review or acceptance of insurance maintained by Grantee is not intended to, and shall not in any manner, limit or qualify the liabilities or obligations assumed by Grantee under this Grant.

Insurance policies required to be maintained by Grantee will name AHFC as additional insured for all coverage except Workers' Compensation and Professional Liability/E&O insurance.

Grantee and its subcontractors/subgrantees agree to obtain a waiver, where applicable, of all subrogation rights against AHFC, its officers, officials, employees and volunteers for losses arising from work performed by the Grantee and its subcontractors/subgrantees for AHFC. However, this waiver shall be inoperative if its effect is to invalidate in any way the insurance coverage of either party.

Where specific limits are shown, it is understood that they will be the minimum acceptable limits. If the Grantee's policy contains higher limits, AHFC will be entitled to coverage to the extent of such higher limits. The coverages and/or limits required are intended to protect the primary interests of AHFC, and the Grantee agrees that in no way will the required coverages and/or limits be relied upon as a reflection of the appropriate types and limits of coverage to protect Grantee against any loss exposure whether a result of this Grant or otherwise.

Grantee is to provide AHFC notice of cancellation or non-renewal of any insurance policy required under this grant. Grantee's insurance agent/broker shall provide certificate holder notice of cancellation/non-renewal in accordance with the laws of the State of Alaska.

Failure to furnish satisfactory evidence of insurance or lapse of any required insurance policy is a material breach and grounds for termination of the Grant.

- A. Workers' Compensation Insurance: The Grantee will provide and maintain, for all employees of the Grantee engaged in work under the Grant, Workers' Compensation Insurance as required by AS 23.30.045. The Grantee shall be responsible for ensuring that any subcontractor/subgrantee that directly or indirectly provides services under this Grant has Workers' Compensation Insurance for its employees. This coverage must include statutory coverage for all States in which employees are engaging in work and employer's liability protection for not less than \$100,000 per occurrence. Where applicable, coverage for all federal acts (i.e., USL & H and Jones Acts) must also be included.
- B. Commercial General Liability Insurance: The Grantee will provide and maintain Commercial General Liability Insurance with not less than \$1,000,000 per occurrence limit, and will include premises-operation, products/completed operation, broad form property damage, blanket contractual and personal injury coverage. Coverage shall not contain any endorsement(s) excluding or limiting contractual liability nor providing for cross liability.
- C. Automobile Liability Insurance: The Grantee will provide and maintain Automobile Liability Insurance covering all owned, hired and non-owned vehicles with coverage limits not less than \$1,000,000 per occurrence bodily injury and property damages. In the event Grantee does not own automobiles, Grantee agrees to maintain coverage for hired and non-owned liability which may be satisfied by endorsement to the CGL policy or by separate Business Auto Liability policy.
- D. Umbrella or Excess Liability: Grantee may satisfy the minimum liability limits required above for CGL and Business Auto under an umbrella or excess Liability policy. There is no minimum per occurrence limit under the umbrella or excess policy; however the annual aggregate limit shall not be less than the highest per occurrence limit stated above. Grantee agrees to endorse AHFC as an additional insured on the umbrella or excess policy unless the certificate of insurance states that the umbrella or excess policy provides coverage on a pure "true follow form" basis above the CGL and Business Auto policy.
- E. Professional Liability Insurance: The Grantee will provide and maintain Professional Liability Insurance covering all errors, omissions or negligent acts of the Grantee, its subcontractors/sub grantees, or anyone directly or indirectly employed by them, made in the performance of this Grant which results in financial loss to the State. Limits required are \$1,000,000.
- F. Certificates of Insurance: Grantee agrees to provide AHFC with certificates of insurance evidencing that all coverages, limits and endorsements as described above are in full force and effect and will remain in full force and effect as required by this Grant. Certificates shall include a minimum thirty (30) day notice to AHFC of cancellation or non-renewal. The Certificate Holder address shall read:

Alaska Housing Finance Corporation Risk Management Department 4300 Boniface Parkway Anchorage, Alaska 99504 Fax (907) 338-9517 risk@ahfc.us

G. Information for Insurance Agents/Brokers. The Grantee is strongly encouraged to provide its insurance agent/broker with a copy of the insurance provisions of this Grant in order that the Grantee may timely obtain and maintain the required insurance and/or bonding.

#### ARTICLE 8. OWNERSHIP OF MATERIALS

All designs, drawings, specification, notes, artwork, manuals, software, copyrightable works, patentable works, and all other works developed in the performance of this Agreement are produced for and remain the property of AHFC and may be used by AHFC for any other purpose without additional compensation to the Grantee. All designs, drawings, specification, notes, artwork, manuals, software, copyrightable works, patentable works, and all other works developed by Grantee prior to the performance of this Agreement shall remain the property of Grantee. The Grantee and AHFC shall retain the right to use any and all materials produced or developed under this Agreement for the purposes of internal research and development and/or education. Grantee agrees not to assert any rights and not to establish any claim under the design, patent, trademark, or copyright laws of the United States of America or the State of Alaska for works developed in the performance of this Agreement. The Grantee, for a period of three (3) years after the final payment under this Agreement, agrees to furnish and provide access to all retained materials at the request of AHFC.

### ARTICLE 9. EXAMINATION OF RECORDS

Grantee shall permit any person designated by AHFC, at any reasonable time during regular business hours, and upon twenty four (24) hours' notice, to examine and make audits of any and all of the records related to this Agreement.