

PACTIV SUPPLIER INSURANCE REQUIREMENTS
EFFECTIVE APRIL 1, 2019

1. Suppliers of goods and services (a "**Supplier**") to Pactiv LLC and its direct and indirect subsidiaries (collectively "**Pactiv**") will be required to maintain the following types and minimal levels of insurance during the terms of all agreements with Pactiv and during any other period that the Supplier is supplying goods and services to Pactiv:

Standard Insurance Coverage¹

a. Commercial General Liability Insurance. Occurrence based coverage with a combined single limit of at least \$1,000,000 per occurrence and in the aggregate for premises and operations; products and completed operations; contractual liability coverage for indemnities of Supplier contained within agreements with Pactiv or its affiliate; broad form property damage (including completed operations); explosion, collapse and underground hazards; and personal injury. *Requires additional insured endorsement and waiver of subrogation endorsement.*

b. Automobile Liability Insurance. Occurrence based coverage with a combined single limit of at least \$1,000,000 per occurrence and in the aggregate for owned, non-owned, and hired automotive equipment. *Requires additional insured endorsement and waiver of subrogation endorsement.*

c. Workers' Compensation Liability Insurance. Occurrence based coverage providing benefits in the minimal amount required by applicable law, including, without limitation, Workers Compensation Acts of applicable U.S. States, the U.S. Longshoremen's and Harbor Workers Compensation Act and the U.S. Jones Act. *Requires alternate employer endorsement and waiver of subrogation endorsement.*

d. Employers' Liability Insurance. Occurrence based coverage with a limit of at least \$1,000,000 per occurrence or any greater limits set by applicable law. *Requires waiver of alternate employer endorsement.*

e. Umbrella and/or Excess Insurance.² Occurrence based coverage with a combined single limit of at least \$2,000,000 per occurrence and in the aggregate covering the identical risks insured under the Commercial General Liability Insurance and Automobile Liability Insurance. *Requires additional insured endorsement and waiver of subrogation endorsement.*

f. Property Insurance on Supplier's Property. Coverage providing "all risk" property insurance at the replacement value of the machinery, equipment, fixtures, tools, materials and other property of Supplier. "All risk" coverage will include, by way of example and not limitation, loss or damage resulting from earthquakes, floods, wind, fire or other natural or weather-related phenomenon. *Requires waiver of subrogation endorsement.*

Special Insurance Coverage³

g. Cargo Insurance on Pactiv's Personal Property.⁴ Coverage providing cargo insurance at its replacement cost value as the cargo being transported on a particular shipment. If the carrier of Supplier maintains such Cargo Insurance, Supplier may maintain instead Contingent Cargo Insurance in the required amount. Requires loss payee endorsement. If the supplier is providing equipment to be transferred under this Agreement, inland marine transit and/or ocean cargo and/or installation floater for the replacement cost value of such items for physical loss or damage during transit, loading/unloading, conducting services and/or installation at its replacement cost. *Requires loss payee endorsement.*

h. Property Insurance on Pactiv's Personal Property.⁵ Coverage providing "all risk" property insurance at the replacement value of the raw materials, work-in-progress, finished goods, machinery, equipment, fixtures, tools, materials and other property of Pactiv or its parent, subsidiaries and affiliates in the custody and control of Supplier. "All risk" coverage will include, by way of example and not limitation, loss or damage resulting from earthquakes, floods, wind, fire or other natural or weather-related phenomenon. *Requires loss payee endorsement.*

¹ Pactiv requires every supplier to maintain the insurance in Subsection 1(a) through Subsection 1(f).

² If Pactiv decides that a supplier is supplying goods or services in connection with a higher risk project, process or activity, Pactiv may require the supplier to maintain an increased umbrella and/or excess limits of \$5,000,000.

³ Pactiv will only require a supplier to maintain the insurance in Subsection 1(g) through Subsection 1(m) only in the circumstances noted in the footnotes below.

⁴ Required for all suppliers transporting Pactiv property to or from a Pactiv facility (i.e., Pactiv carriers).

⁵ Required for Pactiv property being stored, used or otherwise in the custody and control of a supplier (i.e., Pactiv warehouse operator).

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i. Builder's Risk Insurance.⁶ Coverage providing "all risk" property insurance at the replacement value of (1) the machinery, equipment, fixtures, tools, materials and other personal property of Supplier being used in the demolition, construction, alteration, improvement or renovation of a building or other structure for Pactiv or its parent, subsidiaries and affiliates; and (2) the work-in-progress on buildings and other structures for Pactiv or its parent, subsidiaries and affiliates undergoing demolition, construction, alteration, improvement or renovation by Supplier. "All risk" coverage will include, by way of example and not limitation, loss or damage resulting from earthquakes, floods, wind, fire or other natural or weather-related phenomenon. *Requires loss payee endorsement for Pactiv's insurable interest in the insured property.*

j. Pollution Liability Insurance.⁷ Occurrence or claims made coverage with a minimum limit of \$5,000,000 per occurrence and in the aggregate insuring against the liability of the Supplier for a pollution release; any loss due to loading, transporting, storing, unloading or disposing of hazardous waste, substances or materials, and any residue or degradation products containing hazardous waste, substances or materials, by or on behalf of Supplier; and for owned and non-owned disposal sites in which hazardous waste, substances or materials is generated or disposed of by or on behalf of Supplier. Coverage must include, clean-up, bodily injury, property damage and governmental fines. *Requires additional insured endorsement and waiver of subrogation endorsement.*

k. Errors & Omissions Insurance.⁸ Occurrence or claims made coverage with a minimum limit of \$5,000,000 per occurrence and in the aggregate insuring against the professional negligence, errors and omissions of Supplier and its employees. *Requires waiver of subrogation endorsement.*

l. Employers' Practices Liability Insurance.⁹ Occurrence or claims made coverage with a minimum limit of \$5,000,000 per occurrence and in the aggregate insuring against discrimination, harassment, retaliation and other employment claims of employees against Supplier. *Requires waiver of subrogation endorsement.*

m. Cyber Liability, Privacy and Data Protection Insurance.¹⁰ Occurrence or claims made coverage with a minimum limit of \$5,000,000 per occurrence and in the aggregate insuring against the Supplier's liability for a data breach, data loss/destruction, computer fraud funds transfer loss and cyber extortion. *Requires additional insured endorsement and waiver of subrogation endorsement.*

2. All insurers of a Supplier on such policies must have at all times an A.M. Best financial rating of at least "A-Minus VII". All insurers on such policies must be "admitted" as a participant in, and reinsured through, a State, Province or other government managed insurance guaranty fund or as otherwise approved by Pactiv Risk Management. All insurance policies must be "primary and non-contributory" with respect to any insurance Pactiv and its affiliates may maintain. If a policy is underwritten on a claims made basis, the policy must be in effect from the date of commencement of the agreement with, or the supply of any good or service to, Pactiv (whichever is earlier) and maintained for a minimum of three years after the expiration or termination of the agreement, and the cessation of supplying any good or service to, Pactiv (whichever is later). Supplier will endorse all policies to provide notification to Pactiv (Attention: Risk Management), or its designated insurance monitoring service, at least thirty (30) days in advance of any cancellation or material change in coverage.

3. Supplier must deliver the following written evidence of the required insurance coverage to Pactiv (Attention: Risk Management), or its designated insurance monitoring service, within ten (10) of written request and at least thirty (30) days in advance of the expiration of a then current policy term (if a declaration or endorsement is not available from an insurer at the time requested or required, Supplier will provide them as soon as the declaration or endorsement is available from the insurer):

⁶ Required for all suppliers engaged in the demolition, construction, alteration, improvement or renovation of a building or other structure (e.g., a general contractor and its various subcontractors).

⁷ Required for all suppliers selling, purchasing, generating, loading, transporting, storing, unloading or disposing of hazardous waste, substances or materials and any residue or degradation products containing hazardous waste, substances or materials.

⁸ Required for any suppliers providing accounting, architectural, engineering, legal, medical and other design, consultancy, professional and other expert services.

⁹ Required for all suppliers providing temporary workers (e.g., packers; equipment operators; maintenance; etc.) and other firms whose employees will be working in a Pactiv facility in excess of thirty (30) days.

¹⁰ Required for all suppliers licensing software to Pactiv or providing electronic data for uploading into any computer network, system or storage device of Pactiv or being granted access to any computer network, system or storage device of Pactiv.

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- a. Certificate of insurance confirming that the required insurance coverage and minimal limits are met for the extended, renewed or replacement policy term.
- b. Declaration pages of insurance policy (or a copy of the binder until the declaration pages are available) confirming that the required insurance coverage and minimal limits are met for the extended, renewed or replacement policy term.
- c. Copies of additional insured endorsements required for applicable policies in the name and for the benefit of: "*Pactiv LLC, its parent, subsidiaries and affiliates; any lessors of the foregoing and any mortgagees, deed of trust beneficiaries and secured creditors of such lessors; and any successors and assignees of all of the foregoing.*"
- d. Copies of alternate employer endorsements and waiver of subrogation endorsements required for applicable policies in the name and for the benefit of: "*Pactiv LLC, its parent, subsidiaries and affiliates; any lessors of the foregoing and any mortgagees, deed of trust beneficiaries and secured creditors of such lessors; and any successors and assignees of all of the foregoing.*"
- e. Copies of loss payee endorsements required for applicable policies in the name and for the benefit of: "*Pactiv LLC and its successors and assignees.*"

Pactiv may require a supplier to provide a certified copy of all required insurance policies upon written request.

- 4. These policies and procedures have been stated in currency and insurance designations applicable to the United States of America. If a Supplier is providing goods or services to Pactiv outside of the United States of America, then such Supplier will secure the closest equivalent amounts and types of insurance to the extent available in the applicable countries in question.
- 5. Supplier will impose the same requirements on all of its subcontractors, suppliers, consultants and agents who Supplier is relying on to provide goods and services for Pactiv.
- 6. Pactiv, in its good faith business judgment, reserves the right to amend and grant full or partial waivers to these policies and proceeds from time to time by written notice to a Supplier. Pactiv will notify Supplier in writing at least thirty (30) days in advance of the effective date of an amendment. Supplier will achieve compliance with the amended policies and procedures by the effective date of the amendment.