

Waiver of Subrogation and Agreement Regarding Insurance

1.

This waiver of subrogation is applicable to and limited to losses arising from a loss or partial loss occurring in Johnson County Corrections C1 wherein such loss arises from or in association with the construction or renovation of C1 by Sedalco, Inc. or its subcontractors or sub-subcontractors. The parties hereto include Johnson County, Texas which is a political subdivision of the State of Texas and may be identified as "Johnson County" herein; Sedalco, Inc., which may be identified as "Sedalco" herein; and, LaSalle Corrections, LLC which may be identified as "LaSalle" herein.

2.

It is the intention of the parties that Sedalco will provide "Builders Risk" insurance to insure **Sedalco, Inc. and Johnson County, Texas** against losses of "the Work" performed by Sedalco, Inc. or their contractors, subcontractors or sub-subcontractors or other contractors or subcontractors (as described in Article 6 of the AIA A201 applicable to this project). It is the intention of the parties that LaSalle Corrections, LLC or its affiliates including LaSalle Management Company, LLC and LaSalle Southwest Corrections, LLC will provide insurance for the benefit of and on behalf of Johnson County, Texas and LaSalle Corrections, LLC to insure and protect those parties against losses as Described in Article X and Article XI of the Agreement between Johnson County, Texas and LaSalle Corrections, LLC dated July 27, 2015.

3.

The parties hereto understand that LaSalle Corrections, LLC is obligated to purchase and provide property insurance and other insurance pursuant to the Agreement dated July 27, 2015. LaSalle Corrections, LLC has purchased insurance coverage from or through Affiliated FM Insurance Company naming Johnson County as having an "Additional Interest" and as an "Additional Insured" as evidenced by the Certificate dated November 28, 2016 reflecting policy number GN805 and pursuant to the terms of Article X and particularly Paragraph 10.5 of the Agreement dated July 27, 2015 between LaSalle Corrections, LLC and Johnson County, Texas. In the event of a loss Johnson County, Texas has the right to the proceeds of such insurance to the extent of the loss or to the maximum limits of the policy. The maximum limits of such policy and this Waiver do not limit LaSalle Corrections, LLC's duty to indemnify Johnson County, Texas pursuant to the Agreement entered into between LaSalle Corrections, LLC and Johnson County, Texas dated July 27, 2015.

4.

The signatories hereto and any contractor, subcontractor or other person or entity relying upon this waiver of subrogation recognize that the term "Owner" as used in the AIA A201 or AIA A133 applicable to this project or other contractual documents between Johnson County, Texas and Sedalco, Inc. or the Architect (Kenny Burns) may encompass and implicate rights, duties or obligations of LaSalle Corrections, LLC when context would require such interpretation for the benefit of Johnson County, Texas.

5.

This Waiver of Subrogation DOES NOT waive Johnson County Texas' rights or potential claims against LaSalle Corrections, LLC or in any way negate the terms or intent of the Agreement between Johnson County, Texas and LaSalle Corrections, LLC dated July 27, 2015 with respect to LaSalle Corrections, LLC insuring, providing insurance for the benefit of Johnson County, Texas and indemnifying Johnson County, Texas pursuant to Article X and Article XI of said Agreement. This Waiver of Subrogation and Agreement Regarding Insurance does not amend the Agreement between Johnson County, Texas and LaSalle Corrections, LLC, and in the event of inconsistencies between the documents then the terms of the Agreement dated July 27, 2015 between Johnson County, Texas and LaSalle Corrections, LLC shall prevail.

6.

Johnson County, Texas, LaSalle Corrections, LLC and Sedalco, Inc. waive all rights against (1) each other and any of their subcontractors, sub-subcontractors, agents and employees, each of the other, and (2) the Architect, Architect's consultants, separate contractors described in Article 6 of the AIA A201, if any, and any of their subcontractors, sub-subcontractors, agents and employees, for damages caused by fire or other causes of loss to the extent the party receives insurance proceeds pursuant to Section 11.3 of the AIA 201-2007 or other property insurance applicable to the Work, except such rights as Johnson County, Texas has to proceeds of such insurance held by Johnson County, Texas or LaSalle Corrections, LLC or an affiliate of LaSalle Corrections, LLC, including but not limited to LaSalle Management Company, LLC or LaSalle Southwest Corrections, LLC for the benefit of Johnson County. Johnson County does not waive rights to proceeds of insurance identified in Policy GN805 or any successor or replacement policy identified in any certificate of insurance or policy proffered by LaSalle Corrections, LLC, LaSalle Management Company, LLC or LaSalle Southwest Corrections, LLC to Johnson County, Texas which identifies Johnson County, Texas as an "Additional Interest" or an "Additional Insured" to fulfill the requirements of the Agreement between Johnson County, Texas and LaSalle Corrections, LLC dated

July 27, 2015. The insurance policies shall be amended to provide such waivers of subrogation by endorsement or otherwise as necessary to effectuate this agreement.

7.

A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged. However, any such waiver, and any provision herein, shall in no way negate or waive the duty of LaSalle Corrections, LLC or its affiliated entities including but not limited to LaSalle Management Company, LLC or LaSalle Southwest Corrections, LLC to insure the property and interests of Johnson County as further described in Article X of the Agreement between LaSalle Corrections, LLC and Johnson County, Texas dated July 27, 2015 and to indemnify Johnson County, Texas pursuant to Article XI of said Agreement for the benefit of Johnson County, Texas.

8.

The parties recognize that the policy provided to Johnson County, Texas by LaSalle Corrections, LLC and the certificate(s) of insurance provided as evidence of insurance identify Affiliated FM Insurance Company as the insuring entity and identify LaSalle Management Company, LLC as the Insured. LaSalle Corrections, LLC has a duty to provide insurance to insure the specified interests of Johnson County pursuant to the Agreement of July 27, 2015.

9.

It is the intention and Agreement of LaSalle Corrections, LLC and LaSalle Management Company, LLC and Johnson County that the insurance proceeds provided by policy GN805 or its successor shall in the event of a loss be encumbered to satisfy the requirements of the Agreement between Johnson County, Texas and LaSalle Corrections, LLC dated July 27, 2015.

10.

This document may be executed in multiple counterparts. Each signed counterpart shall be deemed an original, but all of them together represent one and the same agreement.

JOHNSON COUNTY

By: *Roger Harmon*
Roger Harmon,
Johnson County Judge

Date: 2/13/17

Attest:

By: *Becky Ivey*
Becky Ivey, County Clerk OR
(Deputy)



LASALLE CORRECTIONS

LaSalle Corrections states and avers that it has been authorized by its insurers to execute this **Waiver of Subrogation and Agreement Regarding Insurance**.

By: *W.K. McConnell*
W.K. McConnell,
Managing Member, LaSalle Corrections, LLC

Date: 2/7/17

~~SEDALCO, INC.~~
Russ Garrison
Russ Garrison
President
Sedalco, Inc.
4100 Fossil Creek Boulevard
Fort Worth, Texas 76137

Date: 2/7/17

Darrin J. Weber
Darrin J. Weber on behalf of The Travelers
Lloyds Insurance Company
RiskPro Partners
13601 Preston Road, Suite E740
Dallas, TX 75240

Date: 2/7/17