

INSURANCE REQUIREMENTS

For all Suppliers providing goods for resale in the United States on any platform of Wal-Mart Stores, Inc., Supplier shall have and maintain in full force and effect, the following insurance in the amounts and with the conditions set forth as follows:

- **Commercial General Liability** insurance, including Personal and Advertising Injury, Products/Completed Operations, Medical Payments, Bodily Injury, and Property Damage, with minimum limits of \$1,000,000 per occurrence / \$2,000,000 aggregate.
- **Product Liability** insurance with limits sufficient to meet the requirements as set forth in the Matrix of Product Liability Limits below. This insurance may be obtained as standalone coverage or as part of the Commercial General Liability. This insurance must provide coverage for claims occurring worldwide.
- **Workers Compensation/Employer's Liability** insurance, for any Supplier whose employees will be entering Company's premises, with statutory limits, or \$1,000,000 if no statutory requirement, and \$1,000,000 in employer's liability coverage.
- **Automobile Liability** insurance, for any Supplier whose employees or agents will be driving on Company's premises or making delivery to Company's premises, with minimum limits of \$1,000,000 per occurrence.
- **Umbrella/Excess Liability** insurance is acceptable to meet the above defined requirements. Supplier shall cause each insurance company to provide the insurance on an umbrella basis in excess over and no less broad than the liability coverages required herein (including as to Company's additional insured status), with the same inception and expiration dates as Commercial General Liability insurance, and with coverage that "drops down" for exhausted underlying aggregate limits of liability coverage.

All insurance required herein shall (1) contain a waiver of subrogation in favor of Walmart, where permitted by law and (2) provide that such insurance is primary, non-contributory, and not excess coverage. Additionally, Commercial General Liability, Product Liability, Automobile Liability and Umbrella/Excess Liability shall (1) contain coverage for Contractual Liability, (2) provide that defense costs will not apply against coverage limits, and (3) name Wal-Mart Stores, Inc., Its Subsidiaries & Its Affiliates as additional insured, or equivalent.

Each insurance policy shall be issued by a company with an AM Best Financial Strength Rating of B+ or better and AM Best Financial Size Category Rating of VII or better, and a complete copy must be provided to Walmart upon request. If at any time during the term of coverage, an insurer's AM Best Financial Strength Rating is downgraded to below B-, Supplier shall at its sole cost and expense procure new coverage meeting the above criteria with an insurer meeting the preceding minimum requirements for Financial Strength and Financial Size Category Ratings. Each insurance policy should be occurrence based. If the policy is claims-made, the following additional requirements shall apply and must be noted on the Certificate of Insurance:

1. Retroactive Date must not be later than the commencement date of Supplier's relationship with Walmart or cancellation date of Supplier's most recent occurrence based policy which such claims-made policy is to replace, whichever is later.
2. Policy must contain "An option to purchase an extended reporting period of 24 months."

Supplier must provide current Certificates of Insurance and copies of pertinent policy endorsements verifying Supplier's compliance with the insurance requirements above (i) upon Supplier's execution of a Supplier Agreement with Company, (ii) at any time upon request of Company, and (iii) upon renewal or replacement of any policy required above. Each Certificate of Insurance shall:

- Show Supplier as the Named Insured
- Provide information as is standard on the ACORD 25 Certificate of Liability Insurance
- List Supplier's vendor number and all names of insured subsidiaries doing business with a vendor number
- Show the self-insured retention (SIR)
- Show the following as Certificate Holder and Additional Insured:
 WAL-MART STORES, INC., ITS SUBSIDIARIES & ITS AFFILIATES
 702 SW 8th Street
 Bentonville, AR 72716-3570
 Attn: Insurance Compliance
- Email certificates to the company per instructions below.
- If the certificate of insurance does not comply with the requirements, a delay may occur in processing the agreement until compliance is met. Failure to maintain insurance coverage for an active vendor number may result in an inactivation of the account. Orders and payments may be withheld until the certificate of insurance has been received and approved by Walmart.
- So long as Supplier or Supplier's Parental Guarantor maintains a net worth of at least \$100,000,000.00, Supplier's use of self-funding, or self-insurance of liability other than workers' compensation and/or automobile liability is allowed. As evidence of Supplier's decision to self-insure, Supplier shall provide a letter on Supplier's letterhead, signed by an officer of the Supplier (and by an officer of the Parental Guarantor, if applicable), attesting to its decision to self-insure, accompanied by fully independently audited financial statements with no negative footnotes from the auditor. Self-insurance under workers' compensation and/or automobile liability financial responsibility statutes (Qualified Self-Insurance - QSI) is also permitted, so long as a copy of the certificate of authority to self-insure, issued by the relevant government agency is provided.
- Supplier shall maintain a contact in the United States to be reached during normal business hours for customer claims.

Matrix of Product Liability Limits

The limits of product liability insurance maintained by Supplier must meet or exceed the limits listed below and are based on the nature of the product being sold. Any Supplier that does not provide products under Category III and does not generate annual revenue exceeding \$1,000,000 GMV may be exempt from the following requirements so long as Supplier at all times meets at least the requirements for Category I. To determine what limit is required for your type of product; review the **Supplier Liability Insurance (SLI) Matrix**, if you cannot identify your product, contact Insurance Compliance. If Supplier is selling products in multiple categories, evidence of coverage must, at least, meet the minimum requirements of the highest categorized product being sold.

| Category | Non-Food Products Product Liability Limits Required |
|----------|--------------------------------------------------------------------|
| I | US \$ 1,000,000.00 Per Occurrence / \$ 2,000,000.00 Aggregate |
| II | US \$ 5,000,000.00 Per Occurrence / \$ 10,000,000.00 Aggregate |
| III | US \$ 10,000,000.00 Per Occurrence / \$ 20,000,000.00 Aggregate |

| Category | Food and Drink Products Product Liability Limits Required |
|----------|-------------------------------------------------------------------|
| I(F) | US \$ 2,000,000.00 Per Occurrence / \$ 4,000,000.00 Aggregate |
| II(F) | US \$ 5,000,000.00 Per Occurrence / \$ 10,000,000.00 Aggregate |

Email questions and certificates to:

supadm@walmart.com for New Suppliers or Existing Suppliers with New Supplier Agreements
inscert@wal-mart.com for Existing Suppliers with Insurance Policy Renewals

For Suppliers working with a Walmart Global Sourcing office, continue to work with your GS contact.