



OCP Directive No.
Effective Date:
Expiration: Until Rescinded
Page 1 of 7

PROCUREMENT POLICY & PROCEDURE DIRECTIVE

SUBJECT: Contract Insurance Requirements

ORIGINATING OFFICE: Office of the Director

1. **PURPOSE.** The purpose of this policy is to establish a process for determining the amount and type of insurance to be required in procurement contracts, to standardize insurance clauses, and to minimize risk to the District.
2. **AUTHORITY.** This policy is established pursuant to D.C. Official Code § 2-352.04 and Chapter 27 of Title 27 of the D.C Municipal Regulations
3. **APPLICABILITY.** This policy applies to all employees of the Office of Contracting and Procurement.
4. **MANDATORY INSURANCE COVERAGE IN CONTRACTS.**
 - 4.1. **General Rules.** The following rules shall apply to ensure that the District is properly covered by a contractor's insurance.
 - 4.1.1. A contractor shall:
 - (a) Demonstrate that it has the required insurance coverage prior to commencing performance of the contract; and
 - (b) Maintain the required insurance until all contract work is accepted by the District, except for General Liability; any required Professional Liability, Environmental Liability, Cyber Liability, Umbrella Liability; and Employment Practices Liability insurance, which all shall be maintained for five (5) years following the District's acceptance of the work.
 - 4.1.2. A contracting officer shall:
 - (a) Determine the initial insurance levels and coverages based on the type of goods and services to be procured and potential loss that may be incurred in the event of an accident or loss to the District;
 - (b) Send the Statement of Work to the Office of Risk Management (ORM) Insurance Coordinator at orm.insurance@dc.gov prior to the issuance of a solicitation involving

- (i) a procurement over \$100,000; and
 - (ii) any procurement where there is significant risk, regardless of contract size;
 - (c) Submit the Insurance Review Documentation form to ORM at orm.insurance@dc.gov with the Statement of Work;
 - (d) Inform potential contractors of the District's insurance requirements by including the insurance requirements provided by ORM in contract solicitations, or contract terms in the case of a sole source or small purchase; and
 - (e) Require a contractor to maintain insurance during the entire contract term and until all work has been completed and accepted, except General Liability; any required Professional Liability, Environmental Liability, Cyber Liability, Umbrella Liability and Employment Practices Liability insurance which shall be maintained for five (5) years following the District's acceptance of the work.
- 4.1.3. After consultation with the ORM, the contracting officer, shall insert the applicable insurance clauses (**Appendix D or E**) in each District contract for goods, services and construction.
- 4.1.4. **Additional Insured Endorsement.** To ensure that the District is covered by a contractor's insurance policy, all required liability insurance policies shall name the District as an additional insured with respect to work or services performed.
- 4.1.5. **Primary and Noncontributory Coverage.**
- (a) A contractor's insurance policies shall be primary and noncontributory; and
 - (b) No other insurance from another source shall apply before the contractor's insurance coverage and limits of liability are exhausted.
- 4.1.6. **Waiver of Subrogation Endorsement.** A contractor's general liability insurance policy shall:
- (a) Contain a waiver of subrogation endorsement in favor of the District for all claims made against the District, its officers, directors, agents, and employees; and
 - (b) Waive all of its express or implied rights of subrogation against the District, its officers, directors, agents, and employees.

5. INSURANCE COMPANY RATING REQUIREMENT.

5.1. Any insurance required under this policy shall:

- 5.1.1. Be written with responsible insurance companies licensed and authorized to do business in the District of Columbia or the place of contract performance; and
- 5.1.2. Have an A.M. Best Company rating of A-VIII or higher.

5.2. **Insurance License Confirmation.** Before performance commences, a contracting officer shall confirm an insurance company's license by reviewing the list of licensed insurance companies

on the State Based Systems Website, <https://sbs.naic.org/solar-web/pages/public/stateServices.jsf?dswid=9946&state=DC>

5.3. **Financial Status Confirmation.** Before performance commences, a contracting officer shall confirm an insurance company's financial status by contacting A.M. Best Company (www.ambest.com/homepage.asp), or the insurance company's website.

6. PROOF OF INSURANCE.

6.1. General Rules Regarding Certificates of Insurance (COI).

- 6.1.1. A contractor shall have its insurance broker or insurance company submit a COI to the contracting officer as evidence of the required insurance coverage before performance commences.
- 6.1.2. In no event shall the contractor commence performance until the required COI, signed by an authorized representative of the contractor's insurer, has been received and approved by the contracting officer.

6.2. A COI form shall include:

- 6.2.1. The name of the insurance company or companies;
- 6.2.2. The name of the insured contractor;
- 6.2.3. The type of insurance coverage being provided;
- 6.2.4. The insurance policy number(s);
- 6.2.5. The insurance policy effective date(s) and expiration date(s);
- 6.2.6. The insurance liability limits;
- 6.2.7. The District contract number;
- 6.2.8. Specific cancellation requirements should be noted in the Cancellation box in the lower right hand corner
- 6.2.9. Show The Government of the District of Columbia as a Certificate Holder (in the box in the lower left hand corner); and
- 6.2.10. The District must be noted as an additional insured and a waiver of subrogation in either the insurance description section or checked in the boxes next to the applicable lines of coverage.

7. CHANGES, CANCELLATION OR NON-RENEWAL OF INSURANCE COVERAGE.

7.1. General Rule.

- 7.1.1. **Insurer notification requirement.** Each insurance policy shall contain the following binding endorsement. "Insurer shall provide the contracting officer with at least thirty (30) days prior written notice in the event coverage is or will be canceled."

7.1.2. **Contractor notification requirement.** If a contractor's insurance coverage is materially changed, including but not limited to cancellation, expiration, or non-renewal during the contract period, the contractor shall be responsible for immediately:

- (a) Notifying the contracting officer in writing;
- (b) Obtaining replacement insurance coverage; and
- (c) Forwarding an updated COI to the contracting officer.

7.2. Right to Stop Work or Terminate a Contract.

7.2.1. In the event a contractor fails to comply with the contract's insurance provisions, the District may issue a stop work order until the contractor is in full compliance, or terminate the contract for default.

8. DETERMINING THE APPROPRIATE AMOUNT AND TYPES OF INSURANCE.

8.1. **Guidelines.** A contracting officer shall consult with the ORM prior to solicitation or award in the case of a sole source or small purchase contract to determine the appropriate amount and types of insurance to be included in a contract.

8.1.1. Determining Adequate Insurance Coverage.

- (a) If a contractor's commercial liability limits do not meet the per occurrence limit, the excess or umbrella liability policy may be considered in determining whether there is sufficient insurance coverage.
- (b) The required minimum liability coverage, however, shall not in any way restrict or diminish a contractor's liability under a contract.

9. CONTRACT INSURANCE CLAUSES.

9.1. **General Rule.** The ORM shall determine the applicable insurance requirements for each District contract after reviewing the Statement of Work, and the contracting officer shall insert the applicable insurance clauses (**Appendix D or E**) in each District contract prior to solicitation, or award in the case of a sole source or small purchase contract.

10. CERTIFICATE OF INSURANCE TRACKING

10.1. **Processing certificate of insurance information.** Once a COI is received by a contracting officer, the following steps shall be taken:

10.1.1. The contracting officer who has received a COI shall:

- (a) Ensure that the required information has been captured on the COI;
- (b) Return the COI to the contractor if it is incomplete or not in accordance with section 6.2;
- (c) If the COI is complete:
 - (i) Immediately e-mail a Portable Document Format (PDF) copy to the ORM at orm.insurance@dc.gov; and

(ii) provide the following information to the ORM: the contract number, the contract award date (if available), the contract expiration date (if available), the contract amount, the contractor's name, the name of the requesting agency, the names of the contracting officer and contract specialist and their e-mail addresses;

(d) Ensure that the required coverages will be in effect for the term of the contract;

(e) Review and request updated COIs upon the exercise of option terms; and

(f) Place COIs in the contract workspace in PASS.

11. COMPLIANCE AUDITS.

11.1. OCP's Office of Procurement Integrity and Compliance (OPIC) and ORM may perform random audits of COIs and contract files to determine compliance with the requirements of this policy.

12. APPENDICES.

12.1. **Appendix A.** Insurance Glossary.

12.2. **Appendix B.** OCP Guidelines for Determining Risks and Minimum Insurance Requirements for Contracts for Goods or Services.

12.3. **Appendix C.** OCP Guidelines for Determining Risks and Minimum Insurance Requirements for Construction Contracts.

12.4. **Appendix D.** Insurance clause template for contracts for goods or services.

12.5. **Appendix E.** Insurance clause template for construction contracts.

12.6. **Appendix F.** Sample Certificate of Insurance.

12.7. **Appendix G.** Frequently Asked Questions.

13. **RESCINDS.** This policy supersedes OCP Policy 3002.00 (March 3, 2010).

14. **EFFECTIVE DATE.** This policy shall become effective immediately.

15. **EXPIRATION DATE.** This policy shall remain in effect until rescinded.

GEORGE A. SCHUTTER III
Chief Procurement Officer
Office of Contracting and Procurement

Date

APPENDIX A
INSURANCE GLOSSARY

(5 Pages)

INSURANCE GLOSSARY

1. **Association for Cooperative Operations Research and Development (ACORD).** ACORD (www.acord.org) is a nonprofit association whose mission is to facilitate the development and use of standards for the insurance, reinsurance and related financial services industries. ACORD members include insurance carriers, reinsurers, agents, brokers and financial services, among others. ACORD issues insurance forms, including Certificates of Insurance, which meet the requirements of insurance industry and government regulators, and are filed with regulators on behalf of the members. The forms are available through a variety of ACORD programs designed to meet a company's needs.
2. **Additional Insured.** A person or organization not automatically included as an insured under an insurance policy, but for whom insured status is arranged, usually by endorsement. A named insured's impetus for providing additional insured status to others may be a desire to protect the other party because of a close relationship with that party (e.g., employees or members of an insured club) or to comply with a contractual agreement requiring the named insured to do so (e.g., customers or owners of property leased by the named insured).
3. **Aggregate Limit.** The total amount, regardless of the number of separate incidents, the insurance company will pay out for all claims during the term of your policy.
4. **A.M. Best Company.** One of the leading providers of ratings, news and financial data for the insurance industry worldwide; Best's Ratings are recognized as the benchmark for assessing the financial strength of insurance-related organizations and the credit quality of their obligations. (www.ambest.com/homepage.asp)
5. **Automobile Liability Insurance.** Insurance that protects the insured against financial loss because of legal liability for automobile-related injuries to others or damage to their property by an auto.
6. **Builder's Risk Insurance.** Insurance intended to cover the risk of loss or damage to construction work during the construction process, and prior to permanent property insurance being placed to cover the completed work. Traditional builder's risk insurance covers the permanent structure and the equipment and materials installed during construction.
7. **Certificate of Insurance.** A form from an insurance agent or insurance company certifying as evidence -- but not proof -- at the time of request that the named insured has insurance policies in place as listed on the certificate. The document provides evidence that certain general types of insurance coverage and limits have been purchased by the party required to furnish the certificate, but confers no rights upon the certificate holder that do not exist in the policy contract.
8. **Claim.** A demand to recover under an insurance policy for a loss.
9. **Commercial General Liability Insurance (CGL).** A standard insurance policy issued to business organizations to protect them against liability claims for bodily injury and property damage arising out of premises, operations, products, and completed operations; and advertising and personal injury liability. The CGL policy was introduced in 1986 and replaced the "comprehensive" general liability policy.

General liability insurance covers injury to non-employees and damages to non-owned property caused by the negligence of the insured and arising from both on-going and completed operations and negligence assumed via some contracts.
10. **Coverage.** The scope of the protection provided under a contract of insurance; any of several risks covered by a policy.
11. **Crime Insurance.** 3rd party Crime insurance includes coverage for losses arising from contractor employee dishonesty, theft of money or securities, burglary, forgery, robbery, computer fraud, etc. A commercial property type of insurance that typically provides different types of crime coverage such as: 3rd party employee dishonesty, forgery or alteration, computer fraud coverage, funds transfer fraud coverage, kidnap, ransom or

extortion coverage, money and securities, money orders and counterfeit money coverage. The District is always the Loss Payee under this type of insurance.

12. **Cyber Insurance.** A type of insurance designed to cover both liability and property losses that may result when a business engages in various electronic activities, such as selling on the Internet or collecting data within its internal electronic network. For example, cyber and privacy policies cover a business' liability for a data breach in which the firm's customers' personal information, such as Social Security or credit card numbers, is exposed or stolen by a hacker or other criminal who has gained access to the firm's electronic network. The policies cover expenses associated with data breaches, including: notification costs, credit monitoring, costs to defend claims by state regulators, fines and penalties, and loss resulting from identity theft; liability arising from website media content, as well as property exposures from: (a) business interruption, (b) data loss/destruction, (c) computer fraud, (d) funds transfer loss, and (e) cyber extortion.. This coverage is different from Technology Errors & Omissions Coverage.
13. **Employer's Liability Insurance.** This coverage is provided by Part 2 of the basic Workers' Compensation policy and pays on behalf of the insured (employer) all sums that the insured shall become legally obligated to pay as damages because of bodily injury by accident or disease sustained by any employee of the insured arising out of and in the course of his employment by the insured. Employer's Liability insurance provides protection in cases not covered by the Workers' Compensation law.
14. **Employee Disease.** Either occupational or non-occupational. Occupational disease arises out of employment and or results from causes or conditions characteristic of and peculiar to the particular trade, occupation, process or employment. Non-occupational disease may arise out of and in the course of employment but may not be considered an occupational disease, such as alcoholism and heart attacks.
15. **Employment Practices Liability Insurance.** A form of liability insurance covering wrongful acts arising from the employment process. The most frequent types of claims alleged under such policies include: wrongful termination, discrimination, and sexual harassment. The forms are written on a claims-made basis and generally exclude coverage for large-scale, companywide layoffs. In addition to being written as a stand-alone coverage, EPLI is frequently available as an endorsement to directors and officers liability policies.
16. **Errors and Omissions (E&O) Insurance.** An insurance form that protects the insured against liability for committing an error or omission in performance of professional duties. Generally, such policies are designed to cover financial losses rather than liability for bodily injury and property damage.
17. **Excess Liability.** This is designed to provide an extra layer of coverage above the primary layer. The excess insurance does not respond, however, until the limits of liability in the primary layer have been exhausted. The excess layer provides not only higher limits, but also catastrophic protection for very large losses.
18. **Expiration Date.** The date shown on the declarations page of the policy when coverage will stop. It may be a specific date or a statement that coverage is continuous until cancelled.
19. **Floater Policy.** A policy under the terms of which protection follows moveable property covering it wherever it may be.
20. **General Aggregate Limit.** A Commercial General Liability limit that applies to all damages paid for bodily injury, property damage, personal injury, advertising injury, and medical expenses, except damages included in the products-completed operations hazard. An aggregate total limit on claims during a policy period, which applies in addition to a limit per claim.
21. **Indemnify.** To restore the victim of a loss, in whole or in part, by payment, repair or replacement.
22. **Installation Floater.** Property in transit "floating". Property insurance to cover loss to materials or equipment that are in transit to a construction site and/or at a construction site to be used in the construction of a building, and have been installed in a structure until the installation is complete and has been accepted as completed by the property owner. Since most builders' risk insurance policies do not cover materials or equipment in storage or in transit (i.e., movable property) that will become a part of the structure or building when they are in transit,

stored at site, or stored off-site, installation floaters provide coverage for those risks. Installation floaters may also provide coverage for Installation floaters may also provide coverage for subcontractors' work in process, or for projects involving rehabilitation or renovation type construction work in an existing structure.

23. **Insurance.** A contract which provides that, for a stipulated consideration, the insurer undertakes to indemnify the insured party against risk of loss, damage, or liability arising from an unknown or contingent event.
24. **Insured.** The person whose risk is transferred and shared; the party to an insurance agreement whom the insurer agrees to indemnify for losses, provide benefits for, or render services to.
25. **Insurer.** The company or group offering protection through the sale of an insurance policy to an insured; the party to an insurance agreement who undertakes to indemnify for losses, provide pecuniary benefits, or render services.
26. **Lapsed Policy.** An insurance policy terminated as a result of nonpayment of a premium before the end of the grace period.
27. **Liability Insurance.** The insurance that pays and renders service on behalf of an insured for loss arising out of his responsibility, due to negligence, to others imposed by law or assumed by contract.
28. **Liability Limits.** The sum or sums beyond which a liability insurance company does not protect the insured on a liability policy.
29. **Longshoreman and Harbor Workers' Compensation Act (LHWCA).** A Federal law found at 33 USCA §§ 901-905 that provides no-fault workers compensation benefits to employees other than masters or crew members of a vessel injured in maritime employment generally in loading, unloading, repairing, or building a vessel.

Employers can obtain coverage under a standard workers' compensation policy by purchasing an LHWCA coverage endorsement.
30. **Loss Payee.** A party to whom an insurance loss payment or insurance settlement may be directly paid. A person or institution with an insurable interest in the object subject to policy coverage.
31. **Negligence.** Failure to use the care that is required to protect others from unreasonable chance of harm. Negligence may be caused by acts of omission, commission or both.
32. **Occurrence Limit.** The occurrence limit is the maximum amount an insurance company will pay per incident, regardless of the number of persons injured (claimants).
33. **Per Occurrence.** Per occurrence coverage permits all losses arising out of one event to be aggregated instead of being handled on a risk-by-risk basis. All losses within a specified period of time involving a particular peril are deemed an occurrence.
34. **Personal and Advertising Injury.** Oral or written publication of material that violates a person's right of privacy; the use of another's advertising idea in your "advertisement"; infringing upon another's copyright, trade dress or slogan in your "advertisement"; false arrest, detention or imprisonment; malicious prosecution; or the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies committed by or on behalf of its owner, landlord or lessor.
35. **Policy.** The written statement of a contract effecting insurance, or certificates thereof, by whatever name called and including all causes, riders, endorsements and papers attached thereto and made part thereof.
36. **Policy Disease Limit.** The limit of liability on the declarations page of the Workers' Compensation Policy.
37. **Policy Period.** The period during which the policy contract affords protection.

38. **Pollution Liability.** Also known as Environmental Impairment Liability. Insurance covers liability for bodily injury or property damage as well as expenses for cleanup due to a toxic spill or contaminated site. Insurance is required for any public or private organization that sells, processes, transports, stores, disposes or in any way handles or is responsible for toxic or hazardous substances.

This insurance covers bodily injury and property damage, including loss of use of damaged property. Coverage shall provide for actual, alleged or threatened emission, discharge, dispersal, seepage, escape or release of pollutants (including asbestos), including any loss, cost incurred as a result of clean up.

39. **Primary and Non-contributory Policy Coverage.** When more than one insurance policy exists to cover a loss; the insurance policy may read as primary coverage meaning the insurance coverage in question is applicable before any other insurance. When more than one insurance policy exists to cover a loss; the insurance policy may read as non-contributory meaning the primary insurance must be exhausted before other applicable insurance responds.
40. **Products and Completed Operations.** An additional coverage under general liability which provides coverage for an insured against claims arising out of products sold, manufactured, handled, or distributed, or operations which are complete. Claims are covered only after a product has been sold and possession relinquished, or operations have been completed or abandoned by the named insured. Manufacturers and contractors have a need for this coverage.
41. **Professional Liability Insurance.** Liability insurance to indemnify professionals, including but are not limited to, lawyers, insurance agents and brokers, accountants, real estate agents, appraisers, abstracters, title insurance agents, architects and engineers, advertising agents, adjusters, directors and trustees, fiduciaries, travel agents and data processing firms, for the loss or expense resulting from claims on account of bodily injuries because of any malpractice, error or mistake committed or alleged to have been committed by the insured in his profession
42. **Rating of VIII.** The A.M. Best Company category indicating that the insurance company shows that the difference of total admitted assets and total liabilities is between \$100,000,000 to \$250,000,000.
43. **Risk.** Exposure to potential loss; uncertainty for a particular outcome; a fortuity; a term used to designate an insured of a peril insured against that does not embrace inevitable loss. The term is used to define causes of loss covered by a policy.
44. **Risk Management.** Management of the pure risks to which a company might be subject. It involves analyzing all exposures to the possibility of loss and determining how to handle these exposures through such practices as avoiding the risk, retaining the risk, reducing the risk, or transferring the risk, usually by insurance.
45. **Subrogation.** The assignment to an insurer by terms of the policy or by law, after payment of a loss, of the rights of the insured to recover the amount of the loss from one legally liable for it. Also, the transfer to the insurance company of the insured's right to collect for damages.
46. **Subrogation Provision.** A provision in an insurance policy addressing whether the insured has the right to waive its recovery rights against another party who may have been responsible for loss covered under the policy. In standard commercial policies, the subrogation provision is called "Transfer of Rights of Recovery Against Others to Us."
47. **Subrogation Waiver.** A waiver by the named insured giving up any right of recovery against another party. Normally an insurance policy requires that subrogation (recovery) rights be preserved. Also, the named insured's intentional relinquishing of any right to recover damages from another party who may be responsible. Commercial insurance policies recognize a written waiver of subrogation issued prior to a loss.
48. **Umbrella Liability Policy.** A policy designed to provide protection against catastrophic losses. It generally is written over various primary liability policies, such as the business auto policy, commercial general liability policy, watercraft and aircraft liability policies, and employers' liability coverage. The umbrella policy serves three purposes: it provides excess limits when the limits of underlying liability policies are exhausted by the payment of claims; it drops down and picks up where the underlying policy leaves off when the aggregate limit

of the underlying policy in question is exhausted by the payment of claims; and it provides protection against some claims not covered by the underlying policies, subject to the assumption, by the named insured, of a self-insured retention.

49. **Workers' Compensation.** A system (established under state laws) under which employers provide insurance for benefit payments to employees for their work-related injury, death and disease regardless of fault.
50. **Workers' Compensation Act of 1979.** The District's Workers' Compensation Act can be found at D.C. Official Code § 36-301 *et seq.* The District's Office of Workers' Compensation within the Department of Employment Services Labor Standards Bureau (202/671-1000) <https://does.dc.gov/page/workers-compensation-does>. DOES administers the workers' compensation program.
51. **Wrongful Act.** This is not limited to an act that is "illegal," but comprehends as well an act that is deemed immoral, anti-social, tortious, etc. The civil law attempts to remedy injuries suffered by individuals or corporations by forcing the party who caused the harm to compensate the victim.
52. **X, C, U Hazards.** This is property damage coverage for any work involving blasting, excavating, tunneling or other underground activity.

APPENDIX B

OCP GUIDELINES FOR DETERMINING RISKS AND MINIMUM INSURANCE

Requirements for Contracts for Goods and Services

(1 Page)

**OCP GUIDELINES FOR DETERMINING RISKS AND MINIMUM INSURANCE
REQUIREMENTS FOR CONTRACTS FOR GOODS AND SERVICES**

MINIMUM INSURANCE REQUIREMENTS

BASIC COVERAGES
<p><i>Commercial General Liability:</i> Per Occurrence: \$1,000,000 Aggregate: \$2,000,000 Products and Completed Operations: \$2,000,000 Personal/Advertising Injury: \$1,000,000</p>
<p><i>Automobile Liability:</i> \$1,000,000 per occurrence</p>
<p><i>Workers' Compensation:</i> See applicable statute for jurisdictional requirement <i>Employers' Liability:</i> Each Accident: \$500,000 Employee Disease: \$500,000 Disease-Policy Limit: \$500,000</p>
ADDITIONAL COVERAGES: Requirements to be determined depending on individual contract
<p><i>Umbrella or Excess Liability:</i> \$2,000,000 to 5,000,000+ (depending on contract)</p>
<p><i>Professional Liability (E&O):</i> Per Occurrence: \$1,000,000+ (depending on contract) Aggregate: \$1,000,000+ (depending on contract)</p>
<p><i>3rd Party Crime Insurance:</i> Per Occurrence for Each Wrongful Act: \$50,000 + (depending on exposure)</p>
<p><i>Sexual Abuse & Molestation (GL):</i> Per Occurrence: \$1,000,000+ (depending on contract) Aggregate: \$1,000,000+ (depending on contract)</p>
<p><i>Environmental Liability:</i> Per Occurrence: \$1,000,000+ (depending on contract) Aggregate: \$1,000,000+ (depending on contract)</p>
<p><i>Employment Practices Liability:</i> Per Occurrence: \$1,000,000+ (depending on contract) Aggregate: \$1,000,000+ (depending on contract)</p>
<p><i>Cyber Liability:</i> Per Occurrence: \$1,000,000+ (depending on contract) Aggregate: \$2,000,000+ (depending on contract)</p>

Please contact Jane Waters (202-724-2265) or Robert Preston (202-727-4215), Office of Risk Management, if you have any questions regarding insurance requirements.

APPENDIX C
OCP GUIDELINES FOR DETERMINING RISKS AND MINIMUM INSURANCE
Requirements for Construction Contracts

(1 Page)

**OCG GUIDELINES FOR DETERMINING RISKS AND MINIMUM INSURANCE
REQUIREMENTS FOR CONSTRUCTION CONTRACTS**

MINIMUM INSURANCE REQUIREMENTS

BASIC COVERAGES
<p><i>Commercial General Liability:</i> Per Occurrence: \$1,000,000 Aggregate: \$2,000,000 Products and Completed Operations: \$2,000,000 Personal/Advertising Injury: \$1,000,000</p>
<p><i>Automobile Liability:</i> \$1,000,000 per occurrence</p>
<p><i>Workers' Compensation (incl. US Longshoremen Harbor Act & Maritime Endorsements if applicable)::</i> See applicable statute for jurisdictional requirement <i>Employers' Liability:</i> Each Accident: \$500,000 Employee Disease: \$500,000 Disease-Policy Limit: \$500,000</p>
<p><i>Builder's Risk Insurance:</i> Basis: Replacement Cost Value of Building or Project - OR - <i>Installation Floater Insurance:</i> Basis: Full Contract value</p>
ADDITIONAL COVERAGES: Requirements to be determined depending on individual contract
<p><i>Umbrella or Excess Liability:</i> \$2,000,000 to 10,000,000+ (depending on contract)</p>
<p><i>Professional Liability (E&O):</i> Per Occurrence: \$1,000,000+ (depending on contract) Aggregate: \$3,000,000+ (depending on contract)</p>
<p><i>3rd Party Crime Insurance:</i> Per Occurrence for Each Wrongful Act: \$50,000 + (depending on exposure)</p>
<p><i>Environmental Liability:</i> Per Occurrence: \$1,000,000+ (depending on contract) Aggregate: \$1,000,000+ (depending on contract)</p>
<p><i>Railroad Protective Liability (if building within 50 ft of railroad)</i> Per Occurrence: \$2,000,000 Aggregate: \$6,000,000</p>

Please contact Jane Waters (202-724-2265) or Robert Preston (202-727-4215), Office of Risk Management, if you have any questions regarding insurance requirements

APPENDIX D
Insurance Clause Template for Contracts

(9 Pages)

INSURANCE CLAUSE TEMPLATE FOR CONTRACTS FOR GOODS AND SERVICES

I.5 INSURANCE:

- A. **GENERAL REQUIREMENTS.** The Contractor at its sole expense shall procure and maintain, during the entire period of performance under this contract, the types of insurance specified below. The Contractor shall have its insurance broker or insurance company submit a Certificate of Insurance to the CO giving evidence of the required coverage prior to commencing performance under this contract. In no event shall any work be performed until the required Certificates of Insurance signed by an authorized representative of the insurer(s) have been provided to, and accepted by, the CO. All insurance shall be written with financially responsible companies authorized to do business in the District of Columbia or in the jurisdiction where the work is to be performed and have an A.M. Best Company rating of A- / VII or higher. The Contractor shall require all of its subcontractors to carry the same insurance required herein.

All required policies shall contain a waiver of subrogation provision in favor of the Government of the District of Columbia.

The Government of the District of Columbia shall be included in all policies required hereunder to be maintained by the Contractor and its subcontractors (except for workers' compensation and professional liability insurance) as an additional insureds for claims against The Government of the District of Columbia relating to this contract, with the understanding that any affirmative obligation imposed upon the insured Contractor or its subcontractors (including without limitation the liability to pay premiums) shall be the sole obligation of the Contractor or its subcontractors, and not the additional insured. The additional insured status under the Contractor's and its subcontractors' Commercial General Liability insurance policies shall be effected using the ISO Additional Insured Endorsement form CG 20 10 11 85 (or CG 20 10 07 04 **and** CG 20 37 07 04) or such other endorsement or combination of endorsements providing coverage at least as broad and approved by the CO in writing. All of the Contractor's and its subcontractors' liability policies (except for workers' compensation and professional liability insurance) shall be endorsed using ISO form CG 20 01 04 13 or its equivalent so as to indicate that such policies provide primary coverage (without any right of contribution by any other insurance, reinsurance or self-insurance, including any deductible or retention, maintained by an Additional Insured) for all claims against the additional insured arising out of the performance of this Statement of Work by the Contractor or its subcontractors, or anyone for whom the Contractor or its subcontractors may be liable. These policies shall include a separation of insureds clause applicable to the additional insured.

If the Contractor and/or its subcontractors maintain broader coverage and/or higher limits than the minimums shown below, the District requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Grantee and subcontractors.

1. Commercial General Liability Insurance (“CGL”). The Contractor shall provide evidence satisfactory to the CO with respect to the services performed that it carries a CGL policy, written on an occurrence (not claims-made) basis, on Insurance Services Office, Inc. (“ISO”) form CG 00 01 04 13 (or another occurrence-based form with coverage at least as broad and approved by the CO in writing), covering liability for all ongoing and completed operations of the Contractor, including ongoing and completed operations under all subcontracts, and covering claims for bodily injury, including without limitation sickness, disease or death of any persons, injury to or destruction of property, including loss of use resulting therefrom, personal and advertising injury, and including coverage for liability arising out of an Insured Contract (including the tort liability of another assumed in a contract) and acts of terrorism (whether caused by a foreign or domestic source). Such coverage shall have limits of liability of not less than \$1,000,000 each occurrence, a \$2,000,000 general aggregate (including a per location or per project aggregate limit endorsement, if applicable) limit, a \$1,000,000 personal and advertising injury limit, and a \$2,000,000 products-completed operations aggregate limit.
2. Automobile Liability Insurance. The Contractor shall provide evidence satisfactory to the CO of commercial (business) automobile liability insurance written on ISO form CA 00 01 10 13 (or another form with coverage at least as broad and approved by the CO in writing) including coverage for all owned, hired, borrowed and non-owned vehicles and equipment used by the Contractor, with minimum per accident limits equal to the greater of (i) the limits set forth in the Contractor’s commercial automobile liability policy or (ii) \$1,000,000 per occurrence combined single limit for bodily injury and property damage.
3. Workers’ Compensation Insurance. The Contractor shall provide evidence satisfactory to the CO of Workers’ Compensation insurance in accordance with the statutory mandates of the District of Columbia or the jurisdiction in which the contract is performed.

Employer’s Liability Insurance. The Contractor shall provide evidence satisfactory to the CO of employer’s liability insurance as follows: \$500,000 per accident for injury; \$500,000 per employee for disease; and \$500,000 for policy disease limit.

All insurance required by this paragraph 3 shall include a waiver of subrogation endorsement for the benefit of Government of the District of Columbia.

**[OPTIONAL ADDITIONAL INSURANCE PROVISIONS – CONSULT
WITH ORM FOR SPECIFIC COVERAGE AND AMOUNTS:]**

Auto Physical Damage Coverage - The Contractor shall provide auto physical damage insurance to cover "loss" to a covered "auto" or its equipment:

Comprehensive - fire, lightning or explosion; theft; windstorm, hail or earthquake; flood; mischief or vandalism; or the sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

Collision Coverage Caused by: The covered "auto's" collision with another object or the covered "auto's" overturn.

Crime Insurance (3rd Party Indemnity) - The Contractor shall provide a 3rd Party Crime policy to cover the dishonest acts of Contractor's employees which result in a loss to the District. The policy shall provide a limit of \$_____ per occurrence.

Cyber Liability Insurance - The Contractor shall provide evidence satisfactory to the Contracting Officer of Cyber Liability Insurance, with limits not less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Contractor in this agreement and shall include, but not limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations. This insurance requirement will be considered met if the general liability insurance includes an affirmative cyber endorsement for the required amounts.

Environmental Liability Insurance - The Contractor shall provide evidence satisfactory to the CO of pollution legal liability insurance covering losses caused by pollution conditions that arise from the ongoing or completed operations of the Contractor. Completed operations coverage shall remain in effect for at least ten (10) years after completion of the work. Such insurance shall apply to bodily injury, property damage (including loss of use of damaged property or of property that has been physically injured), cleanup costs, liability and cleanup costs while in transit, and defense (including costs and expenses incurred in the investigation, defense and settlement of claims). There shall be neither an exclusion nor a sublimit for mold-related claims. The minimum limits required under this paragraph shall be equal to the greater of (i) the limits set forth in the Contractor's pollution legal liability policy or (ii) \$2,000,000 per occurrence and \$2,000,000 in the annual aggregate. If such coverage is written on a claims-made basis, the Contractor warrants that any retroactive date applicable to coverages under the policy precedes the Contractor's

performance of any work under the Contract and that continuous coverage will be maintained or an extended reporting period will be exercised for at least ten (10) years after completion. The Contractor also must furnish to the Owner certificates of insurance evidencing pollution legal liability insurance maintained by the transportation and disposal site operators(s) used by the Contractor for losses arising from facility(ies) accepting, storing or disposing hazardous materials or other waste as a result of the Contractor's operations. Such coverages must be maintained with limits of at least the amounts set forth above.

Employment Practices Liability - The Contractor shall provide evidence satisfactory to the Contracting Officer with respect to the operations performed to cover the defense of claims which the District of Columbia would be named as a co-defendant in claims arising from employment related wrongful acts including but not limited to: Discrimination, Sexual Harassment, Wrongful Termination, or Workplace Torts. The policy shall include an endorsement naming the District of Columbia as a co-defendant or additional insured and shall also include the Client Company Endorsement for Temporary Help Firms and the Independent Contractors Endorsement. The policy shall provide limits of not less than \$_____ for each wrongful act and \$_____ annual aggregate for each wrongful act.

Installation-Floater Insurance - For projects not involving structures, the contractor shall provide an installation floater policy with a limit equal to the full contract value. The policy shall cover property while located at the project site, at temporary locations, or in transit; deductibles will be the sole responsibility of the contractor.

Professional Liability Insurance (Errors & Omissions) - The Contractor shall provide Professional Liability Insurance (Errors and Omissions) to cover liability resulting from any error or omission in the performance of professional services under this Contract. The policy shall provide limits of \$_____ per claim or per occurrence for each wrongful act and \$_____ annual aggregate. The Contractor warrants that any applicable retroactive date precedes the date the Contractor first performed any professional services for the Government of the District of Columbia and that continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least ten years after the completion of the professional services.

Sexual/Physical Abuse & Molestation - The Contractor shall provide evidence satisfactory to the Contracting Officer with respect to the services performed that it carries \$1,000,000 per occurrence limits; \$2,000,000 aggregate of affirmative abuse and molestation liability coverage. This insurance requirement will be considered met if the general liability insurance includes an affirmative sexual abuse and molestation endorsement for the required amounts. So called "silent" coverage under a commercial general liability or professional liability policy will not be acceptable.

Commercial Umbrella Liability. The Contractor shall provide evidence satisfactory to the CO of commercial umbrella liability insurance with minimum limits equal to the

greater of (i) the limits set forth in the Contractor's umbrella liability policy or (ii) \$5,000,000 per occurrence and \$5,000,000 in the annual aggregate, following the form and in excess of the underlying employers' liability, commercial general liability, and commercial automobile liability policies, with an effective date that is concurrent with such liability policies. The insurance required under this paragraph shall be written in a form that annually reinstates all required limits. Coverage shall be primary to any insurance, self-insurance or reinsurance maintained by the District and the "other insurance" provision must be amended in accordance with this requirement and principles of vertical exhaustion.

Garage Liability Insurance – The Contractor shall provide evidence satisfactory to the Contracting Officer of a policy that covers bodily injury or property damage caused by an accident arising out of garage operations, including operations necessary and / or incidental to the garage operation. The policy shall provide limits of \$1,000,000 each accident, garage operations and \$2,000,000 annual aggregate, from garage operations.

Garagekeepers Comprehensive Insurance - The Contractor shall provide evidence satisfactory to the Contracting Officer of a policy that covers loss to a customer's auto left in the insured's care, custody or control – for servicing, repairing, parking and/or storage. The policy shall provide \$1,000,000 limit providing collision and comprehensive coverage at each specific location where District of Columbia vehicles are parked.

Liquor Liability Insurance - The Contractor shall provide evidence satisfactory to the Contracting Officer of Liquor Liability Insurance, with limits not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.

Medical Professional Liability - The Contractor shall provide evidence satisfactory to the Contracting Officer of a Medical Professional Liability policy with limits of not less than \$1,000,000 each incident and \$3,000,000 in the annual aggregate. The definition of insured shall include the Contractor and all Contractor's employees and agents. The policy shall be either (1) written on an occurrence basis or (2) written on a claims-made basis. If the coverage is on a claims-made basis, Contractor hereby agrees that prior to the expiration date of Contractor's current insurance coverage, Contractor shall purchase, at Contractor's sole expense, either a replacement policy annually thereafter having a retroactive date no later than the effective date of this Contract or unlimited tail coverage in the above stated amounts for all claims arising out of this Contract.

Railroad Protective Liability Insurance (RPL). The Contractor shall provide evidence satisfactory to the Contracting Officer of a RPL policy with respect to activities Contractor, or any of its officers, agents, employees, members, successors and assigns, or subcontractors, perform within fifty (50) feet vertically or horizontally of railroad tracks, but only prior to the initiation of any such activity, Contractor shall provide Railroad Protective Liability Insurance (ISO CG 00 35 or equivalent), in the

name of The Government of the District of Columbia. The policy shall have limits of liability of not less than Ten Million Dollars (\$10,000,000.00) per occurrence, combined single limits, for coverage A & B, for losses arising out of injury to or death of any person, and for physical loss or damage to or destruction of property, including the loss of use thereof. A Ten Million Dollar (\$10,000,000.00) annual aggregate may apply.

Construction Projects Controlled by the District

For construction projects controlled by the District, the District should take out the following policies with the District listed as the first named insured. Since the District will control the placement of the policies, the District should not contractually bind itself to secure coverage broader than the minimum that satisfy the interests of the Contractor.

Builders Risk – The District shall purchase and maintain builders risk insurance at 100% replacement cost upon the entire Work at the site and portions of the Work stored off the site with the District’s approval, and contingent transit coverage for portions of the Work in transit. This insurance shall include the interests of the District, the Contractor and the Subcontractors in the Work and shall insure against all risk of physical damage subject to standard exclusions. Losses not covered by the District’s insurance or Contractor’s insurance shall be borne pursuant to the provisions of the Contract. The builders risk policy will have a deductible of not more than \$_____. Losses within the deductible will be paid by the Contractor or the responsible Subcontractor. If not covered under the builders risk insurance or otherwise provided in the Contract Documents, the Contractor shall effect and maintain similar property insurance on portions of the Work stored off the site or in transit. Coverage may be purchased through either the District’s insurance broker or the Contractor’s insurance broker in the sole discretion of the District.

Owner Controlled Insurance Program (OCIP) – {Should any liability or workers compensation exposures be covered with an OCIP, several sections of the construction contract must be edited and a specific insurance exhibit must be added as an exhibit to the contract. The edits will be determined on a case-by-case basis.}

District as Lessor of a Property

The following clauses must be added:

Under Tenant’s CGL:

Such coverage shall have limits of liability of not less than \$1,000,000 each occurrence, a \$2,000,000 general aggregate (including a per location or per project aggregate limit endorsement) limit, a \$1,000,000 personal and advertising injury limit, \$1,000,000 Tenants Legal Liability, and a \$2,000,000 products-completed operations aggregate limit.

Under Tenant's Property:

Tenant shall carry special form property insurance written on a replacement cost value covering 100% of the replacement cost of all of Tenant's property and any leasehold improvements installed by or on behalf of Tenant at Tenant's cost and expense in the Premises/Improvements.

District as Lessee of a Property

Must require Landlord to have the following insurance, including a waiver of subrogation inclusive of deductibles:

Landlord shall carry special form property insurance insuring 100% of the replacement cost of the building including coverage for building ordinance and laws coverages: Loss to the undamaged portion of the building (Coverage A), the cost of demolishing the undamaged portion of the building (Coverage B), the increased cost of reconstruction or repairs to comply with current ordinances or laws (Coverage C) and the Business Interruption loss during the additional time required for making the changes to the building or structures in coverages A, B and C (Coverage D).

Such policy shall include business income covering loss of rental income in amount sufficient to cover the greater of the estimated period of reconstruction plus a 90 day extended period of indemnity or three (3) years.

SUBROGATION

(Note that the District may be reviewing Landlord's form lease, so language may be slightly different, but the intent must be the same.)

Notwithstanding anything set forth in this Lease to the contrary, Landlord and Tenant do hereby waive any and all right of recovery, claim, action or cause of action against the other, their respective principals, beneficiaries, partners, officers, directors, agents, and employees, and, with respect to Landlord, its Mortgagee(s), for any loss or damage that may occur to Landlord or Tenant or any party claiming by, through or under Landlord or Tenant, as the case may be, with respect to their respective property, the Building, the Property or the Premises or any addition or improvements thereto, or any contents therein, by reason of fire, the elements or any other cause, regardless of cause or origin, including the negligence of Landlord or Tenant, or their respective principals, beneficiaries, partners, officers, directors, agents and employees and, with respect to Landlord, its Mortgagee(s), which loss or damage is (or would have been, had the insurance required by this Lease been carried) covered by insurance. Since this mutual waiver will preclude the assignment of any such claim by subrogation (or otherwise) to an insurance company (or any other person), Landlord and Tenant each agree to give each insurance company which has issued, or in the future may issue, policies of insurance, with respect to the items covered by this waiver, written notice of the terms of this mutual waiver, and to have such insurance policies properly endorsed, if necessary, to prevent the invalidation of any

of the coverage provided by such insurance policies by reason of such mutual waiver. For the purpose of the foregoing waiver, the amount of any deductible applicable to any loss or damage shall be deemed covered by, and recoverable by the insured under the insurance policy to which such deductible relates. In the event that Tenant is permitted to and self-insures any risk which would have been covered by the insurance required to be carried by Tenant pursuant to Article XVI of the Lease, or if Tenant fails to carry any insurance required to be carried by Tenant pursuant to Article XVI of this Lease, then all loss or damage to Tenant, its leasehold interest, its business, its property, the Premises or any additions or improvements thereto or contents thereof shall be deemed covered by and recoverable by Tenant under valid and collectible policies of insurance.

END OF OPTIONAL ADDITIONAL INSURANCE PROVISIONS

B. PRIMARY AND NONCONTRIBUTORY INSURANCE

The insurance required herein shall be primary to and will not seek contribution from any other insurance, reinsurance or self-insurance including any deductible or retention, maintained by the Government of the District of Columbia.

C. DURATION. The Contractor shall carry all required insurance until all contract work is accepted by the District of Columbia, and shall carry listed coverages for ten years for construction projects following final acceptance of the work performed under this contract and two years for non-construction related contracts.

D. LIABILITY. These are the required minimum insurance requirements established by the District of Columbia. **HOWEVER, THE REQUIRED MINIMUM INSURANCE REQUIREMENTS PROVIDED ABOVE WILL NOT IN ANY WAY LIMIT THE CONTRACTOR'S LIABILITY UNDER THIS CONTRACT.**

E. CONTRACTOR'S PROPERTY. Contractor and subcontractors are solely responsible for any loss or damage to their personal property, including but not limited to tools and equipment, scaffolding and temporary structures, rented machinery, or owned and leased equipment. A waiver of subrogation shall apply in favor of the District of Columbia.

F. MEASURE OF PAYMENT. The District shall not make any separate measure or payment for the cost of insurance and bonds. The Contractor shall include all of the costs of insurance and bonds in the contract price.

G. NOTIFICATION. The Contractor shall ensure that all policies provide that the CO shall be given thirty (30) days prior written notice in the event of coverage and / or limit

changes or if the policy is canceled prior to the expiration date shown on the certificate. The Contractor shall provide the CO with ten (10) days prior written notice in the event of non-payment of premium. The Contractor will also provide the CO with an updated Certificate of Insurance should its insurance coverages renew during the contract.

- H. **CERTIFICATES OF INSURANCE.** The Contractor shall submit certificates of insurance giving evidence of the required coverage as specified in this section prior to commencing work. Certificates of insurance must reference the corresponding contract number. Evidence of insurance shall be submitted to:

The Government of the District of Columbia

And mailed to the attention of:
(Name of Contracting Officer/Agency)
(Address)
(Phone Number)
(E-mail Address)

The CO may request and the Contractor shall promptly deliver updated certificates of insurance, endorsements indicating the required coverages, and/or certified copies of the insurance policies. If the insurance initially obtained by the Contractor expires prior to completion of the contract, renewal certificates of insurance and additional insured and other endorsements shall be furnished to the CO prior to the date of expiration of all such initial insurance. For all coverage required to be maintained after completion, an additional certificate of insurance evidencing such coverage shall be submitted to the CO on an annual basis as the coverage is renewed (or replaced).

- I. **DISCLOSURE OF INFORMATION.** The Contractor agrees that the District may disclose the name and contact information of its insurers to any third party which presents a claim against the District for any damages or claims resulting from or arising out of work performed by the Contractor, its agents, employees, servants or subcontractors in the performance of this contract.
- J. **CARRIER RATINGS.** All Contractor's and its subcontractors' insurance required in connection with this contract shall be written by insurance companies with an A.M. Best Insurance Guide rating of at least A- VII (or the equivalent by any other rating agency) and licensed in the in the District.

APPENDIX E
Sample Certificate of Insurance

(1 Page)

SAMPLE CERTIFICATE OF CERTIFICATE OF INSURANCE

EXHIBIT X.J.1 ACORD CERTIFICATE OF LIABILITY



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME:	
	PHONE (A/C, H/O, Ext):	FAX (A/C, H/O):
INSURED	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	
	NAIC #	
	INSURER A:	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADOL SUBR (INSR) (MVA)	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY					EACH OCCURRENCE \$
	COMMERCIAL GENERAL LIABILITY					DAMAGE TO RENTED PREMISES (Per occurrence) \$
	CLAIMS-MADE <input type="checkbox"/> OCCUR <input type="checkbox"/>					MED EXP (Any one person) \$
						PERSONAL & ADV INJURY \$
						GENERAL AGGREGATE \$
	GEHL AGGREGATE LIMIT APPLIES PER: POLICY <input type="checkbox"/> PRO- <input type="checkbox"/> LOC <input type="checkbox"/>					PRODUCTS - COMPROP AGG \$
	AUTOMOBILE LIABILITY					COMBINED SINGLE LIMIT (Per accident) \$
	ANY AUTO <input type="checkbox"/>					BODILY INJURY (Per person) \$
	ALL OWNED AUTOS <input type="checkbox"/>					BODILY INJURY (Per accident) \$
	SCHEDULED AUTOS <input type="checkbox"/>					PROPERTY DAMAGE (Per accident) \$
	NON-OWNED AUTOS <input type="checkbox"/>					JEWELRY \$
	HIRE AUTOS <input type="checkbox"/>					
	UMBRELLA LIAB <input type="checkbox"/>					EACH OCCURRENCE \$
	EXCESS LIAB <input type="checkbox"/>					AGGREGATE \$
	CLAIMS-MADE <input type="checkbox"/>					
	DED <input type="checkbox"/> RETENTIONS <input type="checkbox"/>					
	WORKERS COMPENSATION AND EMPLOYERS LIABILITY					WC STATUTE <input type="checkbox"/> OTHER <input type="checkbox"/>
	ANY PROPRIETORS PARTNER OR EXECUTIVE OFFICER MEMBER EXCLUDED? (Mandatory in NJ) <input type="checkbox"/>	N/A				E.L. EACH ACCIDENT \$
	EXEMPT FROM WORKERS COMPENSATION? (Mandatory in NJ) <input type="checkbox"/>					E.L. DISEASE - EA EMPLOYEE \$
	DESCRIPTION OF OPERATIONS below					E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER	CANCELLATION
	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

APPENDIX F
Frequently Asked Questions

(2 Pages)

CONTRACT INSURANCE REQUIREMENTS

Frequently Asked Questions

1. Can a contracting officer award a contract that does not have insurance?

Response: Yes, but the contractor cannot commence performance before demonstrating that it has the required insurance coverage.

2. Are there any documents that a contractor has to give to a contracting officer to prove that insurance actually exists?

Response: A contractor must have its insurer forward a copy of its Certificate of Insurance (COI) to a contracting officer who must approve the document.

3. What information has to be included on a COI to make it acceptable?

Response: In order to be acceptable, a COI must have the following information: (a) the name of the insurance company or companies; (b) the name of the insured contractor; (c) the type of insurance coverage being provided; (d) the insurance policy number(s); (e) the insurance policy effective date(s) and expiration date(s); (f) the insurance liability limits; and in the insurance policy description section, (g) the District named as an additional insured and a waiver of subrogation. See Section 6.2.

4. Will anyone ever review COIs besides contracting officers?

Response: Yes. ORM will also receive copies and OCP's Office of Procurement Integrity and Compliance will perform random audits of COIs and contract files to determine compliance with the policy's requirements.

5. What should a contracting officer do once a complete and accurate COI is received?

Response: Once a complete and accurate COI is received by a contracting officer, he should: (a) immediately forward a copy to the ORM; and (b) place the COI in the contract workspace in PASS.

6. What should a contracting officer do if a COI is inaccurate or otherwise not in compliance with OCP's requirements?

Response: The contracting officer should return the inaccurate or incomplete COI to the contractor for revision and completion.

7. Does it matter what insurance company has provided the contractor's insurance?

Response: Yes. An insurance policy: (a) has to be written by a financially responsible insurance company licensed to do business in the District or the jurisdiction in which the contract is to be performed; and (b) has to have either an A.M. Best Company rating of A-VIII or higher.

8. What must a contracting officer do to confirm the license and financial status of an insurance company?

Response: A contracting officer should confirm an insurance company's license status by reviewing <https://sbs.naic.org/solar-web/pages/public/stateServices.jsf?dswid=9946&state=DC> . An insurance company's financial status should be confirmed by contacting A.M. Best Company www.ambest.com/homepage.asp

9. What if an insurance company isn't on the list of companies licensed to do business in the District?

Response: If an insurance company isn't on the list, a contracting officer should contact: (a) the DC Office of Securities, Insurance and Banking if the work is being performed in the District; (b) the licensing office in the jurisdiction in which the contract is to be performed; or (c) the contractor. If an insurance company can't satisfy the licensing and financial status requirements, the contractor will have to use another company.

10. What types of insurance should a contractor have if he is providing goods or services?

Response: This is dependent on the scope of work and the type of contractor that has the capability of providing the service. Generally, the following types of insurance should be required when a contract for goods or services is being solicited: (a) Commercial General Liability insurance; (b) Automobile Liability insurance; (c) Workers' Compensation and Employers' Liability insurance (for injury, disease, and policy disease limits) regardless of the value of the contract. In addition, any other type of insurance coverages (e.g., Umbrella/Excess liability or Professional Liability, etc.) may be added, depending on the exposures.

11. What types of insurance should a contractor have if he has a construction contract?

Response: Generally, the following types of insurance should be required when a construction contract is being solicited: (a) Commercial General Liability insurance; (b) Automobile Liability insurance; (c) Workers' Compensation and Employers' Liability insurance (for injury, disease, and policy disease limits); (d) Umbrella or Excess Liability insurance; and (e) Builder's Risk insurance. Any other types of insurance coverages (Installation Floater insurance; Professional Liability, Pollution Liability, 3rd Party Crime, etc.) may be added, depending on the exposures.

12. Who should determine whether a contractor has appropriate insurance coverage?

Response: A contracting officer is responsible for determining whether the contractor meets the contractual insurance requirement by comparing the insurance requirements to the contractor's certificate of insurance.

13. What factors should a contracting officer take into account in determining the appropriate amount and type of insurance?

Response: The following factors and resources should be considered by a contracting officer:

- (a) The input of the Office of Risk Management (202/727-8600) or orm.insurance@dc.gov ;
- (b) The type of goods, services or construction being procured; and
- (c) The opinion of the Contract Administrator (CA) or Project Manager.

14. How long does a contractor have to maintain insurance?

Response: A contractor has to maintain insurance throughout the entire contract term and until all work has been accepted by the District, except in the case of General Liability; any required Professional Liability; and any required Professional Liability; any required Environmental Liability, Cyber Liability, Umbrella Liability and any required Employment Practices Liability insurance which shall be maintained for five (5) years following the District's acceptance of the work.

15. What does a contractor have to do if its insurance coverage is materially changed?

Response: A material change would include cancellation, expiration, limit reductions, or non-renewal of an insurance policy during the contract period. If this should happen, the contractor is required to: (a) immediately notify the contracting officer in writing (which includes email) of the cancellation, expiration, limit reduction, or non-renewal; (b) obtain replacement insurance coverage; and (c) forward an updated COI to the contracting officer.

16. Can the District stop a contractor from performing or terminate a contract after contract award if the contractor's insurance coverage is cancelled, expires or is simply not renewed?

Response: Yes, since maintaining insurance is a material term of the contract, a contractor's failure to maintain it would allow the District to issue a stop work order until the contractor is in full compliance, or terminate the contract for default.

17. Does a contractor have to provide insurance for his subcontractors?

Response: A contractor must require all of its subcontractors to carry their own insurance in the amounts required by the contract.