

Quick Reference Guide to KBS Insurance Requirements – Property Level Service Contracts & Work Performed

Worker's Compensation:	Statutory Amount
Employer's Liability:	\$1,000,000 minimum
Commercial General Liability (CGL)	\$1,000,000 per Occurrence and \$2,000,000 Aggregate for Bodily Injury, Personal Injury, Property Damage, and Products/Completed Operations.
Comprehensive Automobile:	\$1,000,000 each occurrence Liability Insurance combined single limit for bodily injury and property damage. Evidence should indicate that liability coverage evidenced extends to both owned, hired, and non-owned vehicles.
Insurance Certificates:	Must be obtained from all contractors and sub-contractors engaged to work at the property and name Owner, Owner's Representative and Manager as additional insured to their CGL policy.
Waiver of Subrogation Endorsement:	Waiver of Subrogation endorsement to the CGL, Worker's Compensation & Employer's Liability policies should be provided in favor of Owner, Owner's Representative and Manager.
Blanket Additional Insured & Waiver of Subrogation Endorsement:	Blanket endorsements are not acceptable UNLESS the contractor/vendor is contracted directly with the Owner. Therefore, if no contract exists, the endorsements MUST specifically name Owner, Owner's Representative and Manager.
Lien Releases:	All necessary lien waivers shall be obtained to keep the property free of any mechanics, laborers', materials, suppliers, vendors etc... liens in connection with work or operations at the property.
Maximum Term:	1 year unless prior written approval is obtained by Owner to Manager in writing
Termination:	without cause on 30 days (or less) prior notice and immediately upon sale
Self- Insurance:	Typically not allowed. In the event a vendor seeks to self-insure, prior written approval must first be obtained by Owner in writing.
Additional Notes:	The above limits are minimum's and should be assessed/ increased depending upon the risk involved with the service or work. Umbrella (excess liability) should be considered on any item of significance, including, but not limited to, building and tenant improvements, non-recurring maintenance items and elevator maintenance agreements.
See Also:	Sample Certificate of Insurance & Insurance Requirement Language for Vendors and Contractors

VENDOR SERVICE AGREEMENT – Insurance Requirements for VENDORS performing work on premises

1. INSURANCE. Vendor, at its sole cost and expense, shall at all times during the term of the Agreement, carry and maintain the following insurance coverage with insurance companies authorized to do business within the State of _____, with a minimum A.M. Best rating of A VIII. Before commencing work, Vendor shall furnish OWNER with certificate(s) evidencing said insurance policy or policies and shall assume responsibility for placement and renewal of all such policies. Vendor shall also furnish OWNER with Additional Insured and Waiver of Subrogation Endorsements in conjunction with certificate(s) as required in the following sections:

- (a) **Commercial general liability insurance**, on an occurrence form, adequate to protect the interest of the parties hereto, which shall name OWNER, OWNER'S REPRESENTATIVE and PROPERTY MANAGER as additional insured on a CG 20 37 07 04 form including completed operations or its equivalent; shall waive all rights of subrogation in favor of OWNER, OWNER'S REPRESENTATIVE and PROPERTY MANAGER on a CG 24 04 10 93 form or its equivalent; and shall be written on a primary and non-contributory basis over any liability policy carried by OWNER, OWNER'S REPRESENTATIVE and PROPERTY MANAGER and include an endorsement clarifying such position if the base policy does not include equivalent language, for all claims or liabilities arising from, or incidental to this Agreement. General liability risks and key exposures to be covered shall include, but not be limited to, the Property and Vendor's operations in connection with the Property, blanket contractual, personal injury, and completed operations. The limits of each policy shall not be less than **\$1,000,000 per occurrence and \$2,000,000 aggregate** for bodily injury, personal injury and property damage; Policy must delete all X, C, and U exclusions.
- (b) **Automobile liability insurance** covering Vendor's ownership and operation of Owned, Hired (Rented) and Non-Owned automobiles in an amount not less than **\$1,000,000** combined single limit for bodily injury and property damage; which shall name OWNER, OWNER'S REPRESENTATIVE and PROPERTY MANAGER as additional insured; and shall be primary and not excess over any liability policy carried by Owner or Manager;
- (c) **Workers' Compensation insurance** in full compliance with all applicable state and federal laws and regulations covering all employees, agents and independent contractors of the Vendor. Coverage shall include employer's liability insurance in an amount of not less than **\$1,000,000**. Such policy shall contain a waiver of subrogation in favor of OWNER, OWNER'S REPRESENTATIVE and PROPERTY MANAGER.
- (d) **Umbrella liability insurance** written on an occurrence form; providing coverage in an amount of not less than **\$1,000,000** for all services **except \$5,000,000 for those services that can be defined as structural, mechanical, roofing, or remediation work.** Such insurance shall be in excess of all liability coverage required herein; and shall name the OWNER, OWNER'S REPRESENTATIVE and PROPERTY MANAGER as additional insured, and shall waive all rights of subrogation against OWNER, OWNER'S REPRESENTATIVE and PROPERTY MANAGER.
- (e) **Fidelity bond** which includes employee dishonesty coverage, with limits in an amount of not less than the Dollar Amount of the Project (Or other if agreed to by Owner) for all employees of Vendor. Such fidelity bond or coverage shall contain an Agent's Rider and all losses shall be payable to OWNER, OWNER'S REPRESENTATIVE and PROPERTY MANAGER via the Agent's Rider provisions. *****This is ONLY required if Vendor is handling, managing, or processing of any of the projects monetary funds for OWNER or for Janitorial or other like services where vendor is inside premises unsupervised during non-business hours. *****

- (f) **Professional Liability (Errors & Omissions) Required ONLY for any architects, consultants and/or engineers of any kind** shall provide coverage for their professional services and any errors & omissions arising from such work. Such coverage shall be provided for the project in an amount not less than greater value between the Project Dollar Amount or \$2,000,000 total all claims. Such coverage shall be maintained for the duration of the project and for a term of not less than 36 months post completion of the project.
- (g) **Vendor/Contractors Equipment/Property** it is the responsibility of the Vendor/Contractor to provide insurance coverage for all loss or damage to any of their tools, equipment, materials (whether installed or not) brought onto **OWNER'S premises**. Such insurance shall waive all rights of subrogation against **OWNER, OWNER'S REPRESENTATIVE and PROPERTY MANAGER**.

Cancellation Notice Required - The policies required under this article shall not be cancelled, non-renewed, reduced, or materially changed without 30 days' prior written notice, by certified mail return receipt requested, to **OWNER, OWNER'S REPRESENTATIVE and PROPERTY MANAGER**.

Vendor/Contractor's use of any Sub-contractors or Independent Contractors - To the extent that the Vendor employs, utilizes or contracts with subcontractors and/or independent contractors for some or all of the services to be provided hereunder and pursuant to the Agreement, the Vendor shall require such subcontractors and/or independent contractors to comply with the same insurance requirements as set forth above in this section.

Waiver of Subrogation Rights/Waiver of Liability/ Hold Harmless - Vendor expressly, knowingly, and voluntarily waive and release any claims that they may have against **OWNER, OWNER'S REPRESENTATIVE and PROPERTY MANAGER** or **OWNER, OWNER'S REPRESENTATIVE and PROPERTY MANAGER's** employees, directors, officers, agents, or representatives for damage to its property and loss of business income as a result of the acts or omissions of **OWNER, OWNER'S REPRESENTATIVE and PROPERTY MANAGER** or **OWNER, OWNER'S REPRESENTATIVE and PROPERTY MANAGER's** employees, directors, officers, agents, or representatives (specifically including the negligence and/or the intentional misconduct of either **OWNER, OWNER'S REPRESENTATIVE and PROPERTY MANAGER's** employees, directors, officers, agents, or representatives), to the extent any such claims are covered by the worker's compensation, employer's liability, property, rental income, business income, or extra expense insurance described in this Lease, or other property insurance that either party may carry at the time of an occurrence. Vendor shall on or before the earlier of the Commencement Date of Work, Execution of this Contract, or the date on which Vendor first enters the Premises for any purpose, obtain and keep in full force and effect at all times thereafter a waiver of subrogation from its insurer concerning the workers' compensation, employer's liability, property, rental income, and business interruption insurance maintained by it for the Project and the property located in the Project. This section shall control over any other provisions of this Contract in conflict with it and shall survive the expiration or sooner termination of this Contract.