

1. INSURANCE REQUIREMENTS

The Contractor shall maintain, at Contractor's sole expense, on a primary and non-contributory basis, at all times during the life of the contract insurance coverages, limits, and endorsements described herein. All insurance must be underwritten by insurers with an A.M. Best rating of A :VIII or better. Upon award, the Contractor shall provide Certificate(s) of Insurance and amendatory endorsements to KCDC evidencing said insurance coverages. The Contractor agrees the insurance requirements herein as well as KCDC's review or acknowledgement, is not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by the Contractor under this contract. KCDC's failure to require a certificate of insurance, acceptance of a non-conforming certificate, or allowing the Contractor to commence work shall not operate as a waiver of these minimum insurance requirements or the liabilities and obligations assumed by the Contractor under this contract.

- a. **Commercial General Liability and Umbrella/Excess Liability Insurance:** occurrence version general liability insurance with a minimum combined single limit of \$1,000,000 per occurrence with \$2,000,000 in the aggregate with a minimum of \$5,000,000 per occurrence umbrella covering the following perils: bodily injury, personal injury, and broad form property damage including products/completed operations (\$2,000,000) for one year after completion of the Project. Limits must apply separately to the work/location in this contract.

Such insurance shall contain or be endorsed to contain a provision that includes KCDC, its officials, officers, employees, and volunteers as additional insureds providing coverage at least as broad as CG 20 10 07 04 and 20 37 07 04 endorsements. The coverage shall contain no special limitations on the scope of its protection afforded to the listed insureds.

Unless the Umbrella/Excess liability insurance provides coverage on a pure/true follow-form basis, or KCDC is automatically defined as an additional insured, the Contractor shall add by endorsement, KCDC its officials, officers, employees, and volunteers as an additional insured.

See paragraph "f.1." for exact naming of certificate holder and additional insured.

- b. **Commercial Automobile Liability Insurance:** in an amount not less than \$1,000,000 (combined single limit) for all owned, hired, and non-owned vehicles utilized by contractor in connection with the Project. Coverage is to include coverage for loading and unloading hazards.

Such insurance shall contain or be endorsed to contain a provision that includes KCDC, its officials, officers, employees, and volunteers as additional insureds.

See paragraph "f.1." for exact naming of certificate holder and additional insured.

- c. **Workers' Compensation Insurance and Employers Liability Insurance:** Workers' Compensation Insurance with statutory limits as required by the State of Tennessee or other applicable laws and Employers Liability with a minimum limit of \$500,000 each employee/accident/policy.
- d. **Pollution Liability Insurance:** coverage, providing defense and indemnity coverage for bodily injury, property damage, and environmental investigation and clean-up costs for pollution conditions arising from the Contractor's operations. Limit of liability not less than \$1,000,000 each occurrence and \$2,000,000 annual aggregate. The policy shall include a minimum three (3) year Discovery (tail) reporting period, and a Retroactive Date that equals or precedes the effective date of this contract or the performance of work hereunder. Coverage may be provided on a per project basis.
- e. **Builder's Risk:** coverage shall be written on an All-Risk, Replacement Cost, and Completed Value Form basis in an amount at least equal to one-hundred percent (100%) of the projected completed value of the Work, as well as subsequent modifications of that sum due to Change Order(s). Contractor agrees to be responsible for reporting increases in the projected completed value of the work due to Change Order(s).

Coverage shall insure *without limitation* against the perils of fire (with extended coverage) and physical loss or damage including, but not limited to and without duplication of coverage, theft, vandalism, malicious mischief, collapse, windstorm, testing and startup, temporary buildings, portions of the work stored off site, all portions of the work in transit, debris removal including demolition occasioned by enforcement of any applicable legal requirements and shall cover reasonable compensation for Architect's and Contractor's services and expenses required as a result of such insured loss.

Coverage shall insure without limitation slab on grade, excavations, foundations, caissons, tenant finish work, and retainage walls around the perimeter of the project. Any exclusion of so-called underground damage to pipes, collapse of structure, or damage resulting from explosion or blasting shall be deleted.

Insurance is to cover all property of Contractor (and its subcontractors), Owner and all certificate holders as their interest may appear.

Coverage shall include soft costs resulting from damage or destruction to insured property on-site and while in transit including flood, earthquake and earth movement when such perils are required.

Such insurance shall cover continuing expenses not directly involved in the direct cost of construction/renovation, including expense incurred upon money borrowed to finance construction or repair, continuing interest on mortgage loans, advertising, promotion, realty taxes and other assessments, the cost to the insured of additional commissions incurred upon re-negotiating leases, and other expenses incurred as a result of property loss or destruction by an insured peril. **See paragraph "f.1." for exact naming of certificate holder and additional insured.**

e. Other Insurance Requirements:

1. Upon award, Contractor shall furnish Owner with original Certificate(s) of Insurance and amendatory endorsements effecting coverage required by this section. The certificate holder and additional insured:

KCDC, its officials, officers, employees, and volunteers
901 N Broadway
Knoxville, TN 37917

2. Provide a waiver of subrogation **for each required policy herein**. When required by the insurer, or should a policy condition not permit contractor to enter into a pre-loss agreement to waive subrogation without an endorsement, the policy should be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This waiver of subrogation requirement shall not apply to any policy which includes a condition specifically prohibiting such an endorsement, or voids coverage should contractor enter into such an agreement on a pre-loss basis.
3. A minimum 30-day cancellation notice for all insurances (by endorsement if necessary) is required.
4. Provide certified copies of endorsements and policies if requested by KCDC in lieu of or in addition to Certificates of Insurance.
5. Replace certificates, policies, and endorsements for any such insurance expiring prior to completion of services.
6. Maintain such insurance from the time services commence until services are completed or through such extended discovery/reporting/tail period as required. Failure to maintain or renew coverage or to provide evidence of renewal may be treated by KCDC as a material breach of contract.
7. Any deductibles and/or self-insured retentions greater than \$50,000 must be disclosed to and approved by KCDC prior to the commencement of services.

Use of large deductibles and/or self-insured retentions will require proof of financial ability as determined by KCDC.

8. All policies must be written on an occurrence basis.
9. **Require all subcontractors** to maintain during the term of the resulting contract commercial general liability insurance, automobile liability insurance, and workers' compensation/employers liability insurance (unless subcontractor's employees are covered by contractor's insurance) in the same manor and limits as specified for the Contractor with the exception of: ***Umbrella:*** \$5,000,000 per occurrence umbrella is preferred, but not required

Contractor shall furnish subcontractor(s)' Certificates of Insurance to KCDC without expense prior to subcontractor(s) commencing work.

- g. **Right to Revise or Reject:** KCDC reserves the right, but not the obligation, to review or revise any insurance requirement, not limited to limits, coverages and endorsements based on insurance market conditions affecting the availability or affordability of coverage; or changes in the scope of work / specifications affecting the applicability of coverage.
- h. **No Representation of Coverage Adequacy:** The coverages, limits or endorsements required herein protect the primary interests of KCDC, and the Contractor agrees in no way should these coverages, limits or endorsements required be relied upon when assessing the extent or determining appropriate types and limits of coverage to protect the contractor against any loss exposures, whether as a result of the project or otherwise.

Certificate Holder & Additional Insured	KCDC, its officials, officers, employees, and volunteers. 901 N Broadway, Knoxville, TN, 37917
GL (Contractor & Subcontractors)	\$1M / \$2M
Umbrella (Contractor)	\$5M
Auto (Contractor & Subcontractors)	\$1M (owned, hired, & non-owned)
WC & Employers Liability (Contractor & Subcontractors)	Statutory limits / \$500,000 Employer's Liability
Pollution Liability (Contractor)	\$1M / \$2M
Builder's Risk	All-Risk, Replacement Cost and Completed Value Form
30-day cancellation (Contractor & Subcontractors)	Required– must indicate on COI
Primary non-contributory (Contractor & Subcontractors)	Required – must indicate on COI
Waiver of Subrogation (Contractor & Subcontractors)	Required – must indicate on COI
