**MEL Insurance Guidelines for Contracts**

This document contains MEL JIF-approved recommendations to consider when contracting with other parties.

Not all provisions contained in these guidelines may be applicable to each contract. Work with your Risk Management Consultant (RMC) and legal counsel in determining the right set of insurance requirements for each contract. These are only guidelines, not MEL requirements.

The information contained in this guideline document is of a general nature only and has been provided to you for consideration and use as an addendum to your contracts. However, such recommendations do not constitute legal advice or recommendations and should not be taken as such. Moreover, the MEL-JIF is not hereby engaged in rendering legal services or the practice of law, nor accounting advice or opinion. If you have any issues regarding the information, we urge you to consult your own legal counsel prior to use.

**MODEL GUIDLINES**

PROVIDER shall make effective the following minimum insurances and follow all provisions, at its own expense, prior to commencement of the services in this agreement. Such insurance requirements shall apply to PROVIDER and any sub-providers of PROVIDER.

**Use of Premises / Facilities**

Scope: Use of Premises / Facilities

Insurance Coverages

1. Commercial General Liability: $1,000,000 Each Occurrence / $2,000,000 Aggregate

a. Liquor Liability and Athletic Activities must be included, as necessary

**Group 1 (Small)**

Scope: Maintenance, Repair, Small Services

Insurance Coverages

2. Commercial General Liability: $1,000,000 Each Occurrence / $2,000,000 Aggregate

a. Liquor Liability, Sexual Abuse / Molestation and Athletic Activities must be included

b. Completed Operations must be included

3. Business Automobile Liability: $1,000,000 combined single limit any one accident

a. All owned, hired or non-owned automobiles used in connection with this agreement

4. Professional Liability/Errors & Omissions Liability: $1,000,000 each claim / $1,000,000 annual aggregate

a. Must not contain cyber, privacy or network-related exclusions

5. Workers’ Compensation: Statutory

6. Employers’ Liability: $1,000,000

7. Crime: $1,000,000

a. Must include Employee Theft and Client Coverage

8. Cyber Liability: $1,000,000 Each Claim / $1,000,000 Aggregate

**Group 2 (Medium)**

Scope: Maintenance, Repair, Small Renovation/Construction, Medium Services

Insurance Coverages

1. Commercial General Liability: $5,000,000 Each Occurrence / $5,000,000 Aggregate

a. Liquor Liability, Sexual Abuse / Molestation and Athletic Activities must be included

b. Completed Operations must be included

2. Business Automobile Liability: $1,000,000 combined single limit any one accident

a. All owned, hired or non-owned automobiles used in connection with this agreement

3. Professional Liability/Errors & Omissions Liability: $1,000,000 each claim / $1,000,000 annual aggregate

a. Must not contain cyber, privacy or network-related exclusions

4. Workers’ Compensation: Statutory

5. Employers’ Liability: $1,000,000

6. Crime: $1,000,000

a. Must include Employee Theft and Client Coverage

7. Cyber Liability: $1,000,000 Each Claim / $1,000,000 Aggregate

**Group 3 (Larger)**

Scope: Renovation, Construction, Significant Service Agreements, MEL Firework/Mechanical Amusement Ride Requirements, MEL Public Entity Shared Services Guidelines

Insurance Coverages

1. Commercial General Liability: $5,000,000 Each Occurrence / $5,000,000 Aggregate

a. Liquor Liability, Sexual Abuse / Molestation and Athletic Activities must be included

b. Completed Operations must be included

2. Business Automobile Liability: $5,000,000 combined single limit any one accident

a. All owned, hired or non-owned automobiles used in connection with this agreement

3. Professional Liability/Errors & Omissions Liability: $5,000,000 each claim / $5,000,000 annual aggregate

a. Must not contain cyber, privacy or network-related exclusions

4. Workers’ Compensation: Statutory

5. Employers’ Liability: $1,000,000

6. Crime: $1,000,000

a. Must include Employee Theft and Client Coverage

7. Environmental Liability: $5,000,000 Each Act / $5,000,000 Aggregate

8. Cyber Liability: $3,000,000 Each Claim / $3,000,000 Aggregate

**Group 4 (Large)**

Scope: Large Projects, Large Agreements

Insurance Coverages

1. Commercial General Liability: $10,000,000 Each Occurrence / $10,000,000 Aggregate

a. Liquor Liability, Sexual Abuse / Molestation and Athletic Activities must be included

b. Completed Operations must be included

2. Business Automobile Liability: $5,000,000 combined single limit any one accident

a. All owned, hired or non-owned automobiles used in connection with this agreement

3. Professional Liability/Errors & Omissions Liability: $10,000,000 each claim / $10,000,000 annual aggregate

a. Must not contain cyber, privacy or network-related exclusions

4. Workers’ Compensation: Statutory

5. Employers’ Liability: $1,000,000

6. Crime: $5,000,000

a. Must include Employee Theft and Client Coverage

9. Environmental Liability: $10,000,000 Each Act / $10,000,000 Aggregate

10. Cyber Liability: $5,000,000 Each Claim / $5,000,000 Aggregate

**Group 5 (S-1368 Housing Guidelines)**

Scope: In response to S-1368 for municipalities to collect certain liability insurance from multifamily rental units.

Insurance Coverages

1. Commercial General Liability:

a. S-1368 Requirement: $500,000 Each Occurrence (if four or fewer units, one of which is owner-occupied, limit shall be $300,000

b. MEL recommendations:

i. $10,000,000 Each Occurrence / $10,000,000 Aggregate

ii. Sexual Abuse / Molestation must be included

iii. Completed Operations must be included

2. [IF APPLICABLE] Business Automobile Liability: $5,000,000 combined single limit any one accident

a. All owned, hired or non-owned automobiles used in connection with this agreement

3. [IF APPLICABLE] Workers’ Compensation: Statutory

4. [IF APPLICABLE] Employers’ Liability: $1,000,000

**Additional Insurance Provisions**

• Any combination of primary and umbrella/excess policies may be used to satisfy the limits. All below provisions shall also apply to the umbrella/excess policies for such coverages listed below.

• All coverages shall remain in effect for the life of the agreement and for three (3) years thereafter. As respects any claims-made coverages, any combination of renewal policies and extended reporting periods may be used to satisfy such time period; however, no extended reporting period shall be affected for the work under this agreement until the last work has been completed.

• Any retroactive dates, or the similar, must be no later than the effective date of this agreement.

• All insurance shall be procured from insurers permitted to do business in the United States and having an A.M. Best rating of at least “A-: VIII”, or the S&P equivalent. If no such rating, self-insured or the like, (public entity) has the right to request and review the financials of such.

• All General Liability, Automobile Liability, Professional Liability, Environmental Liability and Cyber Liability coverages shall name (public entity) as an additional insured on a primary and non-contributory basis.

• (Public entity) shall be named as Loss Payee on the Crime coverages.

• All coverages shall contain Waiver of Subrogation provisions, as allowed by law, in favor of (public entity).

• At least thirty (30) days written notice of cancellation or non-renewal (10 days for non-payment) of any of the coverages shall be provided to the public entity.

• Full “cross liability” / “severability of interests” / “separation of insureds” provisions shall be provided on all coverages.

• All insurances must be applicable to and cover the operations/services described in this agreement.

• Remove reverse Hold Harmless clauses.

• As respects individuals opting out of the Workers’ Compensation coverage, such individuals shall not work on the subject (project, services) in this agreement.

Caution: The amounts of the insurances or the carrying of the insurances described shall in no way be interpreted as relieving the PROVIDER of any responsibility or liability under the agreement. Any type of insurance or any increase in limits of liability not described above which the PROVIDER requires for its own protection or on account of statute shall be its own responsibility and at its own expense. PROVIDER shall promptly notify the (public entity) and the appropriate insurance company(ies) in writing of any accident(s) or circumstance(s), as well as any claim, suit or process received by the PROVIDER arising in the course of operations under the agreement. The PROVIDER shall forward such documents received to its insurance company(ies), as soon as practicable, or as required by its insurance policy(ies).