



20. INSURANCE

This Section 20 sets forth the insurance requirements required by Owner for this Contract ("Insurance Requirements").

20.1 Insurance Requirements

20.1.1 Contractor and subcontractors shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Contract, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

20.1.2 The Insurance Requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

20.2 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below:

20.2.1 Commercial General Liability (CGL) – Occurrence Form

The policy shall include bodily injury, property damage, and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Damage to Rented Premises \$50,000
- Each Occurrence \$1,000,000

a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies (including, but not limited to Owner), boards, commissions, universities, and their respective officers, officials, agents (including, but not limited to CBRE), and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

b. The policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies (including, but not limited to Owner), boards, commissions, universities, and their respective officers, officials, agents (including, but not limited to CBRE), and employees for losses arising from work performed by or on behalf of the Contractor.

20.2.2 Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

- Combined Single Limit (CSL) \$1,000,000

a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies (including, but not limited

to Owner), boards, commissions, universities, and their respective officers, officials, agents (including, but not limited to CBRE), and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.

- b. The policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies (including, but not limited to Owner), boards, commissions, universities, and their respective officers, officials, agents (including, but not limited to CBRE), and employees for losses arising from work performed by or on behalf of the Contractor.

20.2.3 Workers' Compensation and Employers' Liability

- Workers' Compensation Statutory
- Employers' Liability
 - Each Accident \$1,000,000
 - Disease – Each Employee \$1,000,000
 - Disease – Policy Limit \$1,000,000
- a. The policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies (including, but not limited to Owner), boards, commissions, universities, and their respective officers, officials, agents (including but not limited to CBRE), and employees for losses arising from work performed by or on behalf of the Contractor.
- b. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

20.3 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

20.3.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Arizona Department of Administration – Risk Management Division (the "Department"), its agents, officials, employees or the State of Arizona or the Owner shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

20.3.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

20.4 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the Department, Owner and CBRE, for the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the Department, Owner and CBRE, for the State of Arizona, if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to:

(State Representative's Name, Address & Fax Number);



(Owner's Representative Name, Address & Fax Number); and

(CBRE's Representative Name, Address & Fax Number).

20.5 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

20.6 Verification of Coverage

Contractor shall furnish the Owner and the Department for the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

20.6.1 All such certificates of insurance and policy endorsements must be received by the Owner and the State before work commences. The Owner's and the State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

20.6.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

20.6.3 All certificates required by this Contract shall be sent directly to the Department and the Owner. The Owner's project/contract number and project description shall be noted on the certificate of insurance. The Owner and the State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.

20.7 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Owner and the Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

20.8 Approval and Modifications

The Owner, in consultation with the Department, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action by the Department and/or the Owner.

20.9 Exceptions

In the event the Contractor or subcontractor(s) is/are a public entity, then the foregoing Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance. If the Contractor or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.