

General Insurance Requirements

3.4.1 General Insurance Requirements (need a link to insurance requirements)

- (1) The Contractor shall not start work under this Contract until the Contractor has obtained at his own expense all of the insurance required hereunder and such insurance has been approved by the County; nor shall the Contractor allow any subcontractor to start work on any subcontract until all insurance required of the subcontractor has been so obtained and approved by the Contractor. Approval of insurance required of the Contractor and subcontractors for Prince George's County will be granted only after submission to the Procurement Officer of original, signed certificates of insurance or, alternately, at the County's request, certified copies of the required insurance policies.
- (2) The Contractor shall require all subcontractors to maintain during the term of this Contract Commercial General Liability insurance, Business Automobile Liability insurance, and Workers' Compensation and Employers' Liability Insurance, in the same manner as specified for the Contractor. The Contractor shall furnish subcontractors' certificates of insurance to the County immediately upon request.
- (3) All insurance policies required hereunder shall be endorsed to include the following provision: "It is agreed that this policy is not subject to cancellation or non-renewal until thirty (30) days prior written notice has been given to Prince George's County, Maryland."
- (4) No acceptance and/or approval of any insurance by the County shall be construed as relieving or excusing the Contractor, or its surety if applicable, from any liability or obligation imposed upon either or both of them by the provision of the Contract.
- (5) Prince George's County, Maryland shall be named as an additional insured under the Commercial General and, if applicable, Umbrella or Excess Liability policy(ies), and the policy(ies) must be endorsed. Coverage afforded under this paragraph shall be primary.

The following definition of the term "County" applies to all policies issued under the Contract:

Prince George's County, Maryland and any affiliated or subsidiary Board, County, Committee, or Independent Agency (including those newly constituted), provided that such affiliated or subsidiary Board, County, Committee, or Independent Agency is either a body politic created by Prince George's County, Maryland or one in which controlling interest is vested in Prince George's County, Maryland.

- (6) The Contractor shall indemnify and hold harmless the County, its officials, and employees, from any actual or alleged liability, damage, expense, cause of action, suit, claim or judgment arising from injury to person including death or personal property or otherwise which arises out of the act, failure to act, error or negligence of the Contractor, part from the acts, errors or omissions of the Contractor, or any employee, agent or representative of the Contractor, in connection with or arising out of the performance of the Contract. The Contractor shall, at its own expense, appear, defend and pay all charges of attorneys and all costs and other expenses arising there from or incurred in connection therewith, and if any judgment shall be rendered against the County in any such action, the Contractor shall, at its own expense, satisfy and discharge same. The Contractor expressly understands and agrees that any performance bond or insurance protection required by the Contract or otherwise provided by the Contractor, shall in no way limit the responsibility to indemnify, defend and hold harmless the County as herein provided.

- (7) The Contractor shall be responsible for the work performed under the Contract Documents and every part thereof, and for all materials, tools, equipment, appliances, and property of any and all description used in connection with the work. The Contractor assumes all risks for direct and indirect damage or injury to the property or persons used or employed on or in connection with the work contracted for, and of all damage or injury to any person or property wherever located, resulting from any action, omission, commission or operation under the Contract, or in connection in any way whatsoever with the contracted work, until final acceptance of the work by the County.
- (8) Insurance coverage required in these specifications shall be in force throughout the Contract term. Should the Contractor fail to provide acceptable evidence of current insurance within seven (7) days of written notice at any time during the Contract term, the County shall have the absolute right to terminate the Contract without any further obligation to the Contractor, and the Contractor shall be liable to the County for the entire additional cost of procuring performance and the cost of performing the incomplete portion of the Contract at time of termination.
- (9) The Contractor shall assume all on-the-job responsibilities as to the control of persons directly employed by it and of the subcontractor and any persons employed by the subcontractor.
- (10) Nothing contained in the specifications shall be construed as creating any contractual relationship between any subcontractor and the County. The Contractor shall be as fully responsible to the County for the acts and omissions of the subcontractors and of persons employed by them as it is for acts and omissions of persons directly employed by it.
- (11) Precaution shall be exercised by the Contractor at all times for the protection of persons, (including employees) and property. All existing structures, utilities, roads, services, trees and shrubbery shall be protected against damage or interruption of service at all times by the Contractor and its subcontractors during the term of the Contract, and the Contractor shall be held responsible for any damage to property occurring by reason of its operation on the property.
- (12) If the Contractor does not meet the insurance requirements of the specifications, alternate insurance coverage, satisfactory to the Procurement Officer, may be considered. Written requests for consideration of alternate coverages must be received by the Procurement Officer at least ten working days prior to the date set for receipt of bids or proposals. If the County denies the request for alternate coverages, the specified coverages will be required to be submitted. If the County permits alternate coverage, an amendment to the insurance requirements will be prepared and distributed prior to the time and date set for receipt of bids or proposals.
- (13) All required insurance coverage's must be acquired from insurers that are licensed to do business in the State of Maryland and acceptable to the County.
- (14) The County will consider deductible amounts as part of its review of the financial stability of the Contractor. Any deductibles shall be disclosed by the Contractor, and all deductibles will be assumed by the Contractor.

3.4.2 **INSURANCE REQUIREMENTS:** The Contractor shall provide the County with evidence of its Contractor's commercial insurance coverages for the following exposures:

WORKER'S COMPENSATION: An insurance policy complying with the requirements of the statutes of the jurisdiction(s) in which the work will be performed, and if there is any exposure to the Contractor or any of the Contractor's personnel due to the U.S. Longshoremen's and Harbor Workers' Act, Jones Act, Admiralty Laws or the Federal Employers' Liability Act, the Contractor shall provide coverage for these exposures on an "if any basis." The coverage under such an insurance policy or policies shall have limits not less than:

<u>Worker's Compensation:</u>	<u>Statutory Limit's</u>
Employer's Liability: Each Accident	\$500,000
Disease Policy Limits	\$500,000
Disease - Each Employee	\$500,000

COMMERCIAL GENERAL LIABILITY INSURANCE (CGL): An insurance policy covering the liability of the Contractor for all work or operations under or in connection with this Contract; and all obligations assumed by the Contractor under this Contract. Products, Completed Operations and Contractual Liability must be included, in addition to coverage for explosion, collapse, and underground hazards, wherever required.

The coverage under such an insurance policy or policies shall have limits not less than:

BODILY INJURY AND PROPERTY DAMAGE LIABILITY	\$1,000,000 / \$3,000,000 per occurrence / aggregate
PREMISES MEDICAL PAYMENTS	\$5,000
FIRE LEGAL LIABILITY	\$1,000,000
PERSONAL INJURY/ADVERTISING	\$1,000,000 or combined single limit not less than \$2,000,000

Prince George's County, Maryland must be included as an additional insured under the general liability insurance coverage with respect to activities related to this Contract.

COMMERCIAL AUTOMOBILE LIABILITY INSURANCE: An insurance policy covering the use of all owned, non-owned, hired, rented or leased vehicles bearing license plates appropriate for the circumstances for which they are being used, as required by the motor vehicle laws of the District of Columbia, Maryland or Virginia, and not covered under the Contractor's aforementioned Commercial General Liability Insurance.

The coverage under such an insurance policy or policies shall have limits not less than:

BODILY INJURY AND PROPERTY DAMAGE LIABILITY
(Vehicle Liability)
\$1,000,000 Combined Single Limit

In addition, "Prince George's County, Maryland" shall be designated as the Certificate Holder and as an Additional Insured of the Certificate of Insurance. Contract employees are not permitted to operate any vehicle owned by the Prince George's County Government whether in commission of the Contract or outside of same.

3.4.3 SPECIAL PROVISIONS FOR INSURANCE:

- (1) The Contractor shall forward to the County Office of Risk Management a certificate(s) of insurance indicating the insurance and any special provisions required under the foregoing provisions. Such certificate(s) shall be in a form satisfactory to the County and shall list the various coverage's and limits. Insurance companies providing the coverage must be acceptable to the County, rated by A.M. Best and carry at least an "A" Rating VII. In addition to the aforementioned provisions, such insurance policies shall not be changed or canceled and shall be automatically renewed upon expiration and continued in full force and effect until completion and acceptance of all work covered by the Contract, unless the County's Office of Risk Management is given thirty (30) days written notice before any change or cancellation is made effective. If requested, the Contractor shall directly furnish the Risk Management Office with a certified copy of each insurance policy upon request.
- (2) The initial and subsequent certificates of insurance shall include a description of the Contract work and the assigned contract number. Prior to beginning any project work, the insurance requirements as outlined by the Risk Management Office must be approved in writing.
- (3) All insurance shall be procured from insurance or indemnity companies acceptable to the County and licensed and authorized to conduct business in the District of Columbia, State of Maryland and Commonwealth of Virginia. The County's approval or failure to disapprove insurance furnished by the Contractor shall not release the Contractor of full responsibility for liability for damage and accidents.
- (4) If at any time the above required insurance policies should be canceled, terminated or modified so that the insurance is not in full-force and effect as required herein, the County reserves the right to terminate this Contract.
- (5) The Contractor shall require each subcontractor, at all tiers, to provide evidence of insurance coverage specified herein and such evidence of coverage shall be provided to the County Office of Risk Management prior to commencement of work. Such coverage shall remain in full force and effect during the performance of activities under this Contract.
- (6) In the event the required certificates of insurance as specified herein are not furnished prior to the execution of the Contract, the Contractor shall not be permitted to enter upon

the property to perform the duties outlined in the Contract until all required insurance certificates or evidence of self-insurance has been received.

All certificates of insurance should be sent to:

**Prince George's County Maryland
Office of Central Services
Contract Administration and Procurement Division
1400 McCormick Drive, Suite 200
Largo, Maryland 20774**

Attn: [add procurement officer's name & title] – Bid No.: [add bid number]