

## **INSURANCE REQUIREMENTS. (Third Party Managers/AHRP Only)**

**Manager's Insurance.** Without limiting Manager's indemnification of Owner, Manager shall maintain at its own expense during the entire term of this Agreement policies of insurance of the types and amounts described below.

**Commercial General Liability Insurance.** Manager shall maintain commercial general liability insurance providing coverage for bodily injury, property damage, and personal and advertising injury with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than one million dollars (\$1,000,000) per occurrence, and two million dollars (\$2,000,000) general aggregate. This policy shall include blanket contractual liability.

**Automobile Liability Insurance.** Manager shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Manager arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than one million dollars (\$1,000,000) combined single limit for each accident.

**Workers' Compensation Insurance.** Manager shall maintain Workers Compensation Insurance as required by applicable state statute and Employer's Liability Insurance, with limits of at least one million dollars (\$1,000,000) per accident, employee, and disease.

**Professional Liability (Errors & Omissions) Insurance.** Manager shall maintain professional liability insurance that covers the services to be performed in connection with this Agreement, in the minimum amount of one million dollars (\$1,000,000) per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this agreement and Manager agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement. If the policy does not include harassment and discrimination coverage, including Americans with Disabilities Act ("ADA") and tenant discrimination, Manager shall obtain an endorsement or a separate policy in the required amount. This required coverage shall also include employment practices liability insurance, which may be endorsed onto the above referenced policy or purchased as a separate insurance policy.

**Crime Insurance (or Fidelity Bond).** Manager shall maintain commercial crime insurance including forgery or alteration coverage, computer fraud coverage, funds transfer fraud coverage, money and securities coverage, money orders and counterfeit money coverage, burglary, robbery, theft, and employee dishonesty coverage with limits in an amount not less than one million dollars (\$1,000,000).

**Network Security and Privacy Liability (Cyber liability).** Manager shall maintain network security and privacy liability (cyber) insurance in an amount not less than one million dollars (\$1,000,000) per incident and annual aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Manager in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion, introduction, implantation or spread of malicious software code and network security including unauthorized access to or use of computer systems or business data. The policy shall provide

coverage for breach response costs as well as regulatory fines and penalties, and credit monitoring expenses with limits sufficient to respond to these obligations.

#### **Other Provisions of Manager's Insurance.**

**Additional Insured Status.** Except for professional liability and workers compensation insurance, insurance policies required herein shall provide or be endorsed to provide that Owner and its officers, officials, employees, and agents shall be additional insureds under such policies for claims arising from the willful misconduct or gross negligence of Manager. This provision shall also apply to any excess liability policies.

**Primary Insurance.** For claims arising from Manager's willful misconduct or gross negligence, Manager's insurance shall be primary and non-contributory with any insurance maintained by Owner and shall include cross liability or severability of interest.

**Proof of Insurance.** Manager shall deliver to Owner certificates of insurance on an Acord or equivalent form signed by an authorized representative of the insurers prior to the execution of this Agreement, prior to commencing any work or service, and at least ten (10) days prior to the renewal or replacement of any of the required insurance, or upon reasonable request by Owner. Certificates of insurance must include all required endorsements, including but not limited to additional insured, primary and non-contributory, notice of cancellation, and waiver of subrogation, as applicable. Owner reserves the right to request copies of required insurance policies, as needed.

**Deductibles and/or Self-insured Retentions.** Any self-insured retentions must be declared to and approved by Owner. Payment of deductibles and self-insured retentions maintained by Manager is the sole responsibility of the Manager. To the extent Manager elects to self-insure, subject to Owner's approval, such self-insurance shall in no way limit liabilities assumed by Manager in this Agreement, including but not limited to Owner's status as an additional insured or Manager waiving rights of recovery or subrogation.

**Acceptable Insurers.** All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State in which the Property is located, with an assigned policyholders' AM Best Rating of A- (or higher) and Financial Size Category Class VII (or larger), unless otherwise approved by the Owner's Risk Manager.

**Notice of Cancellation.** Manager's insurance shall be endorsed to provide Owner with written notice thirty (30) days prior to cancellation of any required coverage except for non-payment which may be with ten (10) days written notice of cancellation.

**Subcontracted Work.** Should Manager subcontract any of the work under this Agreement, Manager shall require its subcontractors to carry insurance in types and with limits appropriate for the risk and such policies shall include Owner as an additional insured.

**Enforcement of Contract Provisions (non estoppel).** Manager acknowledges and agrees that any actual or alleged failure on the part of the Owner to inform Manager of non-compliance with any requirement imposes no additional obligations on the Owner nor does it waive any rights hereunder.

**Requirements not Limiting.** Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

**Owner's Rights of Enforcement.** In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, Owner has the right but not the duty to obtain the insurance it deems necessary, and any premium paid by Owner will be promptly reimbursed by Manager or Owner will withhold amounts sufficient to pay premium from Manager payments. In the alternative, Owner may cancel this Agreement.

**Owner's Right to Revise Specifications.** The Owner reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by giving the Manager ninety (90) days advance written notice of such change. If such change results in substantial additional costs to the Manager, the Owner and Manager may renegotiate Manager's compensation.

**Additional Insurance.** Manager may maintain, at its own cost and expense, any additional kind of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Work.

**Duties in the Event of an Accident, Property Damage, Claim, Lawsuit, or Other Loss.**

Manager shall promptly notify Owner of any accident or actual, threatened, or pending claims for damage or lawsuits relating to the ownership, management, operation, or maintenance of the Property. Manager shall promptly investigate and make a full written report to Owner within 5 days of receiving knowledge of any accident or claim for damage relating to the ownership, management operation, or maintenance of the Property, including any damage or destruction to the Property and the estimated cost of repair. Manager shall cooperate and make all reports required by any insurance company or Owner in connection therewith. In no event shall Manager file or report any claim directly on Owner's insurance policies without Owner's prior written consent or direction. Owner has the sole discretion to file or report a claim on Owner's insurance policies.

**Owner's Insurance.**

Without limiting Owner's indemnification of Manager, Owner shall maintain during the term of this Agreement policies of insurance of the types and amounts described below. The cost of Owner's insurance shall be an operating expense of the Property.

**Property Insurance.** Owner shall maintain property insurance on an All Risk/Special Form for risks of physical loss or damage, as determined by Owner. Insurance coverage shall be in conformance with the bond or other lender covenants relating to the financing of the Property, if any.

**Commercial General Liability Insurance.** Owner shall maintain commercial general liability insurance providing coverage for bodily injury, property damage, and personal and advertising injury with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than one million dollars (\$1,000,000) per occurrence, and two million dollars (\$2,000,000) general aggregate.

**Automobile Liability Insurance.** Owner shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Owner arising, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than one million dollars (\$1,000,000) combined single limit for each accident.

Manager shall be included as an additional insured under Owner's commercial general and automobile liability insurance except for claims arising from Manager's willful misconduct or gross negligence. Except in cases of Manager's willful misconduct or gross negligence, Owner's insurance shall be primary and non-contributory with any insurance maintained by Manager and shall include cross liability or severability of interest.

Owner shall deliver to Manager certificates of insurance on an Acord or equivalent form signed by an authorized representative of the insurers prior to the execution of this Agreement and at the renewal or replacement of any of the required insurance.

**Waiver of Subrogation.**

All insurance coverage maintained by Owner and Manager pursuant to this Agreement shall be endorsed to waive subrogation against the other party, including its elected and appointed officers, agents, officials, employees, and volunteers or shall specifically allow the insured party to waive their rights of subrogation prior to a loss. Owner and Manager each waive their rights of recovery against the other.