

ATTACHMENT II
Insurance Requirements for Software and Professional Services Contract

Before the commencement of work, Contractor shall submit to County: (1) **Certificates of Insurance** for all relevant coverages listed in Section A below, and (2) a “**Declarations Page**” listing the titles of all endorsements to the Commercial General Liability (CGL) policy.

1. MINIMUM SCOPE LIMIT OF INSURANCE – Coverage shall be at least as broad as:

- 1.1. **Commercial General Liability.** Insurance Services Office (ISO) “occurrence” form CG 00 01 12 07 CGL or equivalent on an “occurrence” basis, including bodily injury, property damage, contractual liability, medical expenses for any one person, personal and advertising injury, products-completed operations coverage and policy limits of no less than **\$1,000,000 per occurrence**. If a general aggregate applies, either the general aggregate shall apply separately to this project/location or the general aggregate shall be twice the required occurrence limit.
- 1.2. **Automobile Liability Insurance.** ISO form CA 0001 covering (any auto) Code 1 or if Contractor has no owned autos, hired (Code 8) and non-owned autos (Code 9), with limits no less than \$1,000,000 per accident for bodily injury and property damage. *(Not required if Contractor provides written verification that he or she will not be using a vehicle to perform the scope of work described in the Contract.)*
- 1.3. **Worker’s Compensation Insurance.** As required by the State of California with Statutory Limits, and Employer’s Liability Insurance with limits of no less than \$1,000,000 per accident for bodily injury and disease. *(Not required if Contractor provides written verification that he or she has no employees.)*
- 1.4. **Cyber Liability and Technology Errors and Omissions Insurance.** (If applicable. See Note below.) Insurance with limits not less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by the Contractor in this agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, 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, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses.
 - 1.4.1. The Policy shall include, or be endorsed to include, property damage liability coverage for damage to, alteration of, loss of, or destruction of electronic data and/or information “property” of the Agency in the care, custody, or control of the Vendor.
 - 1.4.2. If Contractor maintains higher limits than the minimums shown above, County shall be entitled to the higher limits. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County.

2. OTHER INSURANCE PROVISIONS

- 2.1. **Additional Insured Status.** The County, its officers, officials, employees, and volunteers are covered as additional insureds on the CGL policy with respect to liability arising out of work performed or operations performed on behalf of Contractor including materials, parts, or equipment furnished in connection with such work or operations. Contractor must disclose insured vs. insured exclusions to County prior to the commencement of the agreement.
- 2.2. **Primary Coverage.** For any claims related to this Contract, Contractor’s insurance shall be primary insurance as respects the County, its officers, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, employees and volunteers shall be excess of the Contractor’s insurance and shall not contribute with it. However,

Contractor's insurance may contribute with other additional insureds providing primary insurance coverage for the same "occurrence", offense, claim or suit.

- 2.3. **Notice of Cancellation.** Each insurance policy required above shall not be canceled, except after thirty (30) days prior written notice (10 days for non-payment) has been given to the County.
- 2.4. **Waiver of Subrogation.** Contractor hereby grants to County a waiver of any right to subrogation that an insurer of said Contractor may acquire against the County, by virtue of payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County received a waiver or endorsement from the insurer.
- 2.5. **Deductibles and Self-Insured Retentions.** Any deductibles or self-insured retentions (SIRs) must be declared and approved by the County. The County may require the Contractor to provide proof of ability to pay losses and related investigations, claims administration, and defense costs within the retention. Any and all deductibles and SIRs shall be the sole responsibility of Contractor or subcontractor who procured such insurance and shall not apply to the Indemnified Additional Insured Parties. Entity may deduct from any amounts otherwise due to Contractor to fund the SIR/deductible. Policies shall not contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named Insured. The policy must also provide that Defense costs, including the Allocated Loss Adjustment Expenses, will satisfy the SIR or deductible.
- 2.6. **Acceptability of Insurance Carriers.** Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to County. (*A.M. Best Ratings can be accessed over the internet for no cost at www.ambest.com*).
- 2.7. **Claims Made Policies.** If any of the required policies provide coverage on a claims-made basis, then the following requirements must be met:
 - 2.7.1. The Retroactive Date of the policy must be shown and must be before the Contract or beginning of Contract work.
 - 2.7.2. Insurance must be maintained, and evidence of insurance must be provided **for at least five (5) years after completion of the Contract work.**
 - 2.7.3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the Contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of five (5) years after the completion of contract work.
- 2.8. **Verification of Coverage.** Contractor shall furnish the County certificates of insurance and original endorsements affecting coverage required by this clause. All certificates of insurance and endorsements are to be received by the County before work under the contract has begun. The County reserves the right to require complete, certified copies of all insurance policies required by this contract. Certificates of insurance shall state that the insuring agency agrees to endeavor to mail to County written notice 30 days before any of the insurance policies described herein are cancelled. Contractor agrees to notify County within two working days of any notice from an insuring agency that cancels, suspends, reduces in coverage or policy limits the insurance coverages described herein.
- 2.9. **Sub-Contractors.** Contractor will require and verify that all sub-Contractors maintain insurance meeting all the requirements stated herein or cover sub-Contractors under their insurance policies. Upon request, Contractor shall provide County proof that all sub-Contractors are covered by their own insurance or the Contractor's insurance policies.

- 2.10. **Special Risk or Circumstances.** County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage or special circumstances.