TRANSFER RISK TO THIRD PARTY (Slide 20)

Contract with Indemnification Agreement

- Have a legal agreement with the vendor/contractor to “hold you harmless” in the event their negligence causes you harm (i.e. you get sued)

Contract with Insurance Requirements

- Spells out exactly what insurance the contractor or vendor needs to carry.

Certificate of Insurance

- A document (produced by their insurance agent) that as of the date the Certificate is issued, they have active coverage. Document shows insurance carrier information, policy number, limits, terms of policy, etc.

- Your organization should be listed as Additional Insured.

SAMPLE INSURANCE REQUIREMENTS (Slide 21)

Minimum limits required

<table>
<thead>
<tr>
<th>Coverage</th>
<th>Minimum Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Liability:</td>
<td>Each Occurrence $1,000,000</td>
</tr>
<tr>
<td>Additional Insured Entities:</td>
<td>Owner and related entities and their respective officers, directors and employees must be named as Additional Insured</td>
</tr>
<tr>
<td>Auto Liability:</td>
<td>Combined Single Limit $1,000,000</td>
</tr>
<tr>
<td></td>
<td>Owned, Non-Owned &amp; Hired Autos</td>
</tr>
<tr>
<td>Workers Compensation:</td>
<td>Statutory Benefits for All Employees</td>
</tr>
<tr>
<td></td>
<td>Waiver of Subrogation endorsement in favor of Owner and related entities and their respective officers, directors and employees.</td>
</tr>
<tr>
<td>Umbrella:</td>
<td>Each Occurrence and in the Aggregate $1,000,000</td>
</tr>
</tbody>
</table>

Notes

- Umbrella limit should be changed based on work being done... from low hazard (janitorial vendor) to high hazard (construction projects)

- Additional coverages... such as Liquor Liability, Professional Liability, etc should be added based on work being done on behalf of museum.
SAMPLE INSURANCE REQUIREMENTS (Slide 22-23)

ADDITIONAL REQUIREMENTS

• All policies must be written with insurers maintaining an A.M. Best Rating of A-IX or better.

• All coverage required in this contract must be primary and non-contributory to any insurance maintained by Owner.

• Each policy must be endorsed to require at least 30 days’ notice of cancellation (10 days for non-payment of premium) to Owner. If, after reasonable effort, Contractor is unable to secure such endorsement, Contractor must provide Owner written notice of any cancellation within 3 working days of any written or oral notice of such cancellation.

• Contractor waives all rights against Owner to the extent of any insurance carried or required to be carried under this agreement.

• These requirements apply to all work done at any time in connection with or related to this project including any warranty, rework or additional work performed following the completion of this contract.

• Neither failure to monitor compliance with these requirements nor failure to identify a deficiency from evidence provided will be considered a waiver of such requirements.

• Failure to obtain and to keep in force any of the required insurance coverage shall be deemed to be sufficient cause for termination of this contract for default.

• Contractor’s liability shall not be limited to the limits of any required insurance.

• All subcontractors will be required to comply with the above requirements as well.

• Contractor shall give prompt notice to Owner in the event of any accident or occurrence on the premises or related in any way to this contract.

• Limits required may be purchased in any combination of primary and excess to achieve the required total limits.

• DOCUMENTATION TO BE SUBMITTED PRIOR TO THE START OF THE WORK AND AT EACH INSURANCE RENEWAL OR REPLACEMENT UNTIL INSURANCE IS NO LONGER REQUIRED

• Certificates of Insurance evidencing requirements above
CERTIFICATES OF INSURANCE (Slides 24-25)

- "Vendors" name
- Insurance Company Name
- Coverage
- Additional Insured (Yes if "X")
- Policy Number
- Term
- Limits

Your organization's name as Cert Holder