| **Insurance Coverages for Goods/Services Contracts** |
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| Insurance Coverage | Coverage | When to Include |
| Commercial General Liability Insurance (CGL)aka General Liability Insurance | Coverage protects against financial loss (legal defense and damages) for liability for personal injury, property damage, products and completed operations, and personal & advertising injury arising from the Contractor’s non-professional negligent actsExcludes coverage for risks that are insured by separate policies e.g., * Professional liability (need separate professional liability policy)
* Environmental liability (need separate environmental or pollution liability policy)
* Workers compensation claims (covered by workers compensation insurance)
* Property damage during the course of construction (need bond or builder’s risk coverage)
* Motorized vehicles (autos, commercial vehicle and trucks, watercraft, aircraft) (need specific policies)

*Note*: Policies also may include a provision covering ‘contractual liability.’ This is important coverage – i.e., if a Contractor’s professional liability insurance does not cover liability assumed under a contract (i.e., indemnification obligation), this coverage would be critical. Typically provided as an additional coverage. | AlwaysThis is the most important insurance coverage. Must always be required.The amount of coverage will depend on the specific Contract. |
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| Commercial Automobile Liability Insuranceaka Business Auto Liability Insurance | Covers bodily injury and property damage resulting from vehicles used for business purposes. Includes owned, rented, and leased vehicles.‘Symbol 1’ Commercial Automobile Insurance protects against liability claims arising from the use of ‘any automobile,’ either owned, hired, or non-owned (i.e., employee vehicles). | Contract specificInclude when Contractor’s activities involve use of vehicles – e.g., delivering goods/services, transporting clients, visiting State of Washington sites. |
| Personal Automobile Liability Insuranceaka Personal Auto Policy (PAP) | Covers bodily injury and property damage. *Note*: Make sure that the personal automobile policy does not exclude coverage for vehicles used in a commercial purpose. | Contract specificInclude when Contractor is using personal vehicles for business purposes (usually for a small business/sole proprietor). |
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| Workers’ Compensation Insurance | Covers employee injuries or illness relating to their jobs, including medical costs and wages during the time the employee is unable to work due to the injury or illness.An employer's responsibility for injuries to its employees usually is handled through workers’ compensation coverage. This coverage is designed to provide injured employees with a schedule of benefits in exchange for their giving up the right to sue the employer. These benefits are paid without regard to fault.Importantly, workers’ compensation does NOT cover the employer’s negligence – i.e., if the employer fails to provide a safe working environment.*Note*: Workers’ Compensation Insurance is NOT the same thing as Employers’ Liability Insurance (aka Stop Gap). | Do NOT add. This obligation is addressed in the Contract as standard contract language. Washington is one of four states (OH, ND, WA, and WY) where workers’ compensation is provided by a state fund rather than by private insurance. The state fund is the exclusive source of workers compensation insurance in these states. These states are known as ‘monopolistic state funds.’Problematically, these ‘monopolistic state funds’ do NOT include employer’s liability insurance (hence the term ‘gap’).In Washington, all employers must provide this insurance or be registered as a Self-Insured entity with the State of Washington. *Note*: This is not required for sole proprietors or companies that have no employees, typically professional partnerships that use contracted administrative support. |
| Employers’ Liability Insuranceaka Stop Gap | An employer's responsibility for injuries to his or her employees is usually handled through workers’ compensation coverage; this coverage is designed to provide injured employees with a schedule of benefits in exchange for their giving up the right to sue the employer. There are instances, however, when an employer can be sued for injuries to employees, regardless of the existence of workers’ compensation.Stop gap coverage provides a form of employers’ liability insurance for employers who do not have the coverage because they operate in a so-called monopolistic state. Such coverage addresses liability regarding (each of which are specifically excluded from CGL coverage):* Third party action-over claims;
* Consequential injury (loss of consortium, loss of services, etc.) to an injured employee’s family members;
* Dual capacity claims;
* Intentional tort claims; and
* Claims for injury or disease not covered by workers compensation laws.

*Note*: One common way to arrange stop gap coverage is to add it as an endorsement to a CGL policy. | Contract specific*Note*: Employers’ Liability Insurance (aka stop gap) is NOT a substitute for workers’ compensation insurance. These are two different things.Because the State of Washington is one of four monopolistic workers’ compensation states, Contractors must obtain stop gap insurance coverage from the private insurance marketplace. |
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| Umbrella Liability Insuranceaka Commercial Umbrella Liability Insurance | Umbrella liability insurance is separate insurance over and above certain, stated, ‘primary’ or ‘underlying’ policies. This is designed to add to or extend the liability coverage over designated insurance coverage limits (i.e., raise the designated insurance coverage limits), including:* Commercial General Liability Insurance
* Commercial Automobile Liability Insurance
* Employers’ Liability Insurance
* Professional Liability Insurance

*Note*: The umbrella policy language must clearly list what types of insurance it covers.For example, if procurement requires that the contractor have $4 million in CGL coverage, this could be accomplished by a CGL policy with $4 million limit or, alternatively, a CGL policy with a $2 million limit and an Umbrella policy (tied to the CGL) with a $2 million limit. | Contract specificInclude, if needed, to reach required coverage limits.Must have the applicable underlying insurance coverage. |
| Excess Liability Insurance | Excess Liability insurance is a type of policy that provides limits that exceed the underlying liability policy. It is no broader concerning the incidents covered by the primary insurance, meaning it will not expand the stated coverage but will provide higher limits on top of the original policy. The primary purpose of Excess Liability insurance is to close coverage gaps and to offer an added layer of protection in case the underlying insurance is exhausted of all possible resources. | Contract specificInclude, if needed, to reach required coverage limits.Must have the applicable underlying insurance coverage. |
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| Professional Liability Insuranceaka Errors & Omissions Insuranceaka Malpractice Insurance | Covers professional judgment errors (i.e., negligence, errors, and/or omissions) that lead to damages. Usually a ‘claims made’ policy.Professional Services examples:* Engineers
* Consultants
* Counselors
* Brokers
* Medical professionals
* Accountants
* Investigators
* Attorneys
* Architects

*Note*: All CGL policies exclude professional liability. | Contract specificInclude if appropriate and address extended reporting. |
| Technology Professional Liability Insuranceaka Technology Errors & Omissions | Covers professional technology judgment errors (i.e., negligence, errors, and/or omissions) that lead to damages*Note*: Additional coverage for technology that infringes copyright and trade secrets.*Note*: All CGL policies exclude professional liability. | Contract specificInclude if using technology services or products where the design of the technology may lead to damages of the Purchaser (e.g., the Contractor actively develops technology). The insurance is not necessary if Contractor is simply a reseller, distributor or similar. |
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| Cyber Risk Liability Insurance | Liability and property loss for data breaches. *Note*: This is a larger risk if Contractor has access to Personally Identifiable information (PII), Personal Health Information (PHI), or financial information. Data breaches of PII and PHI will can lead to large settlements and fines. Coverage may be separated by security & privacy liability, regulatory defense & penalties, web site media content liability, cyber extortion loss, first party data loss, and first party network business interruption loss. Also included are legal, forensic, and notification services to assist the state in responding to a data security breach incident.*Note*: CGL policies exclude cyber risk liability. | Contract specificInclude if Contractor has access to such information and/or Contractor processes or stores such information. |
| Crime Insurance/Employee Dishonesty | Coverage provided to an employer for loss arising from the dishonest acts of employer’s employees. Dishonest acts include theft, computer fraud, and misappropriation of employer’s property, including cash and other negotiable instruments. | Contract specificHigh crime risks and exposures when a Contractor is vulnerable to business crimes, particularly businesses that deal in cash or large volumes of online payments. |
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| Contractor’s Pollution Liability & Asbestos Liability Insurance | Pollution clean-up and claims for injuries, illness, or death from pollution.Pollution insurance policies can cover general pollution or specifically include the site or source of pollution based on the nature of the work. When known specify coverage for specific sites or sources of pollution including pollution of soil, groundwater, and property; air-borne contaminates; and waste products. Pollution includes unsafe chemicals in manufacturing, industrial repair, and transportation. This is a claims made policy.*Note*: All CGL policies exclude pollution liability. | Contract specific |
| Transportation Pollution Liability Coverage |  | Contract specific |
| Marine Protection & Indemnity Insurance | Covers vessel liability as well as liability to crew and passengers. | Contract specific |
| Environmental Liability Insurance |  | Contract specific |
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| Property Insurance | Covers damage to buildings and contents – e.g., fire, theft. | Contract specificInclude if Contractor is building, renovating, or improving Purchaser’s premises with a high risk of damaging property.*Note*: Rare to include, except in construction or leases with tenant improvements to a purchaser site. This includes damage to adjacent property. |
| Building & Personal Property Insuranceaka BPP | Covers buildings and contents. | Contract specific |
| Builders Risk Insurance | Coverage for fire and related peril damage typically to new buildings or other structures under construction.Coverage also can apply to temporary or permanent buildings, machinery, tools, and supplies used in conjunction with a construction project.Note: Limit is the project cost. | Contract specificInclude when Contractor is constructing a new building. |
| Installation Floater Insurance | Coverage for materials, tools, and equipment for building projects. Coverage applies in transit, on site, and while partially installed. Coverage also applies to testing (e.g., HCAV systems). | Contract specificTypically included for remodeling and/or minor building addition contracts. |

* Commercial General Liability Insurance
	+ Commercial General Liability Insurance. Commercial General Liability Insurance written under ISO Form CG 0001 with minimum limits of $5,000,000 per occurrence and in the aggregate for each one-year policy period. This coverage may be any combination of primary, umbrella, or excess liability coverage affording total liability limits of not less than $5,000,000 per occurrence and in the aggregate. The Commercial General Liability Insurance policy shall include coverage for: (a) blanket contractual liability; (b) premises operations; and (c) products and completed operations for a period of five (5) years following acceptance of the work / expiration or termination of the Master Contract.
* Commercial Automobile Liability Insurance
	+ Commercial Automobile Liability Insurance. Commercial automobile liability insurance covering the ownership, maintenance, and/or use of all owned/leased, non-owned, and hired vehicles used in the performance of the Contract, with limits of not less than $1,000,000 per accident, combined single limit for bodily injury and property damage liability. Coverage shall be provided on Insurance Services Office (ISO) form number CA 0001 or an equivalent. The required limits can be satisfied by any combination of primary, umbrella, or excess policy.
	+ Commercial Automobile Liability Insurance. ‘Symbol 1’ commercial automobile liability coverage (and, if necessary, commercial umbrella liability insurance) including coverage for all owned, hired, and non-owned vehicles. The combined single limit per accident shall not be less than $1,000,000.
* Commercial Automobile Liability Insurance – with In Transit Pollution Risk
	+ Commercial Automobile Liability Insurance. Commercial automobile liability insurance covering the ownership, maintenance, and/or use of all owned/leased, non-owned, and hired vehicles used in the performance of the Contract, with limits of not less than $5,000,000 per accident, with a combined single limit for bodily injury and property damage liability. Coverage shall be provided on Insurance Services Office (ISO) form number CA 0001 or an equivalent. If pollutants are to be transported, MCS 90 and CA 9948 (in transit pollution risks coverage) endorsements are required unless in-transit pollution risk is covered under a pollution liability insurance policy. The required limits can be satisfied by any combination of primary, umbrella, or excess policy.
* Personal Automobile Liability Insurance
	+ Personal Automobile Liability Insurance. Personal automobile liability coverage (and, if necessary, commercial umbrella liability insurance) with limits no less than $250,000 per accident, $500,000 aggregate, and $100,000 property damage.
* Commercial Umbrella Liability Insurance
	+ Commercial Umbrella Liability Insurance. Commercial umbrella liability insurance coverage in the sum of $\_\_\_\_\_\_\_\_ shall be provided and shall apply over all liability policies, without exception, including but not limited to Commercial General Liability, Commercial Automobile Liability, Employers Liability, and Professional Liability.
* Excess Liability Insurance
	+ Excess Liability Insurance. Excess liability insurance with limits not less than $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ which shall provide coverage at least as broad as the primary coverages set forth herein, including Commercial General Liability, Commercial Automobile Liability, and \_\_\_\_\_\_\_\_\_\_\_, in excess of the amounts set forth herein.
* Professional Liability (Errors & Omissions) Insurance
	+ Professional Liability (Errors & Omissions) Insurance. Professional liability insurance in the amount of not less than $1,000,000 combined single limit per occurrence or claim, $2,000,000 general annual aggregate for malpractice or errors and omissions coverage against liability for damages because of personal injury, bodily injury, death, or damage to property, including the loss of use thereof, and damages because of negligent acts, errors, and omissions in any way related to this Master Contract. The policy shall have an extended reporting period of not less than five (5) years after completion.
* Technology Errors & Omissions Insurance
	+ Technology Errors & Omissions Insurance. Technology errors and omissions insurance, on an occurrence form. This coverage shall include Contractual Liability insurance for the indemnity provided under this Master Contract. Limits are $2,000,000 per claim/annual aggregate.
	+ Technology Professional Liability (errors & Omissions). Technology professional liability insurance coverage. Coverage shall be sufficiently broad to respond to the duties and obligations as undertaken by Contractor in this Contract 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, and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations. Combined single limit per claim shall not be less than $2,000,000 per occurrence and $4,000,000 general aggregate.
* Technology Professional Liability & Cyber Liability Insurance
	+ Technology Professional Liability & Cyber Liability Insurance. Contractor shall maintain throughout the term of this Contract and for three (3) years thereafter, a policy or policies of Professional Liability or Errors & Omissions Insurance including Information Security and/or Cyber insurance (separately, or as part of a broad E&O policy) in an amount not less than US $XX million per claim, and US $YY in the aggregate covering Contractor, its employees, subcontractors, and agents for claims and losses resulting from wrongful acts committed in the performance of or failure to perform all services or support services agree to be provided under the Statement of Work (SOW) in this Contract, including but not limited to claims, demands, regulatory investigations, fines or penalties, or any other payments the Contractor shall become legally or contractually obligated to pay for any of the following, including infringement of intellectual property (except for patent infringement), breaches to and failures in electronic and physical security, breach of confidentiality and invasion of or breach of privacy. Contractor shall require and secure evidence of same insurance for its subcontractors and independent contractors hired or retained to perform or support work to be performed under this SOW or shall provide coverage on their behalf. State Agency reserves its right to review and accept evidence of such insurance for Contractor and its subcontractors. No policy deductible or self-insured retention and no limit of insurance shall serve to limit Contractor’s liability for services rendered or failed to have been rendered as outlined in the SOW, except as otherwise provided in Section \*\*.
	+ Technology Professional Liability & Cyber Liability Insurance. Contractor agrees to purchase and maintain throughout the term of this Contract a technology/professional liability insurance policy, including coverage for network security/data protection liability insurance (also called “cyber liability”) covering liabilities for financial loss resulting or arising from acts, errors, or omissions, in rendering technology/professional services or in connection with the specific services described in this Contract:
		- Violation or infringement of any right of privacy, including breach of security and breach of security/privacy laws, rules or regulations globally, now or hereinafter constituted or amended;
		- Data theft, damage, unauthorized disclosure, destruction, or corruption, including without limitation, unauthorized access, unauthorized use, identity theft, theft of personally identifiable information or confidential information in whatever form, transmission of a computer virus or other type of malicious code; and participation in a denial of service attack on third party computer systems;
		- Loss or denial of service;
		- No cyber terrorism exclusion;

with a minimum limit of $\_\_\_\_\_\_\_\_\_ each and every claim and in the aggregate. Such coverage must include technology/professional liability including breach of contract, privacy and security liability, privacy regulatory defense and payment of civil fines, payment of credit card provider penalties, and breach response costs (including without limitation, notification costs, forensics, credit protection services, call center services, identity theft protection services, and crisis management/public relations services).

Such insurance must explicitly address all of the foregoing without limitation if caused by an employee of Contractor or an independent contractor working on behalf of Contractor in performing services under this Contract. Policy must provide coverage for wrongful acts, claims, and lawsuits anywhere in the world. Such insurance must include affirmative contractual liability coverage for the data breach indemnity in this Contract for all damages, defense costs, privacy regulatory civil fines and penalties, and reasonable and necessary data breach notification, forensics, credit protection services, public relations/crisis management, and other data breach mitigation services resulting from a breach of confidentiality or breach of security by or on behalf of Contractor.

* Cyber Risk Liability Insurance
	+ Cyber Risk Liability Insurance. Cyber risk insurance, on a claim form. This coverage shall include Contractual Liability insurance for the indemnity provided under this Contract. Limits are $\_\_\_\_\_\_\_\_\_\_ per occurrence and $\_\_\_\_\_\_\_\_\_\_ aggregate.
* Crime Insurance/Employee Dishonesty
	+ Crime Insurance/Employee Dishonesty. Employee dishonesty and (when applicable) inside/outside money and securities, including computer fraud coverages for State of Washington and/or Purchaser-owned property in the care, custody, and control of Contractor. Coverage limits shall not be less than \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ per occurrence and $\_\_\_\_\_\_\_ general aggregate.
* Property Insurance
	+ Property Insurance. Contractor shall provide property insurance covering all real property, fixtures, and equipment. Such insurance shall be written on an all risks basis and, at a minimum, cover the perils insured under ISO special causes of loss form CP 10 30, and cover the full replacement cost of the property insured, and include the State of Washington as a loss payee.
* Transportation Pollution Liability Coverage
	+ Transportation Pollution Liability Coverage. Contractor shall provide transportation pollution liability insurance in an amount not less than $10,000,000 per occurrence and $20,000,000 aggregate.
* Contractor’s Pollution Liability Insurance
	+ Contractor’s Pollution Liability Insurance. Pollution liability insurance coverage (to include, without limitation, loading and unloading of all Fuel Products) with a combined single limit per occurrence of not be less than $5,000,000, or the equivalent. Such insurance shall provide coverage for bodily injury, including death; loss or damage to property, including loss of use of damaged property or of property that has not been physically injured; cleanup costs; and costs and expenses incurred in the investigation, defense or settlement of claims. Such coverage shall provide coverage for both on-site and off-site clean-up costs and cover gradual and sudden pollution.
	+ Contractor’s Pollution Liability & Asbestos Liability Insurance. Contractor shall provide Contractor’s Pollution Legal Liability and/or Asbestos Legal Liability with limits of no less than $1,000,000 per occurrence or claim and $2,000,000 policy aggregate.
* Environmental Liability Insurance
	+ Environmental Liability Insurance. Environmental liability insurance coverage, on an occurrence or claims made basis, with annual limits of not less than $100,000,000 per claim and in the aggregate, including liability arising out of transportation and non-owned disposal sites. The policy shall have a five-year extended reporting period and cover claims made on and prior to the completion and claims made after final acceptance, but within the extended reporting period. The required limits can be satisfied by any combination of primary, umbrella, or excess policy.
* Marine Protection & Indemnity Insurance
	+ Marine Protection & Liability Insurance. Marine Protection and Indemnity Insurance, including Collision, Jones Act, and passenger coverages. Combined single limit per occurrence shall not be less than $1,000,000, or the equivalent.
* **Certificate of Insurance**
	+ **Certificate of Insurance**. Prior to execution of the Contract, Contractor shall furnish to [Agency], as evidence of the insurance coverage required by this Contract, a certificate of insurance satisfactory to [Agency] that insurance, in the above-stated kinds and minimum amounts, has been secured. In addition, no less than ten (10) days prior to coverage expiration, Contractor shall furnish to [Agency] an updated or renewed certificate of insurance, satisfactory to [Agency], that insurance, in the above-stated kinds and minimum amounts, has been secured. Failure to maintain or provide proof of insurance, as required, shall constitute a material breach of contract upon which [Agency] may, after giving five (5) business days’ notice to Contractor to correct such breach, immediately terminate the Contract or, at [Agency’s] discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to [Agency] on demand, or at the sole discretion of [Agency], offset against funds due the Contractor by [Agency]. All policies and certificates of insurance shall include the Contract number stated on the cover of this Contract.
* **Alternative Dispute Resolution**

**Alternative Dispute Resolution**. With the exception of Commercial Automobile Liability Insurance, no insurance policies required herein shall contain an arbitration or alternative dispute resolution clause applicable to disputes between the insurer and its insureds. Any and all disputes concerning the terms and scope of insurance coverage afforded by the policies required hereunder and/or extra contractual remedies and relief which may be afforded policy holders in connection with coverage disputes, shall be resolved in Washington Superior Court, applying Washington law.