# EXHIBIT D – INSURANCE PROVISIONS

1. **GENERAL PROVISIONS APPLYING TO ALL POLICIES**
	1. **COVERAGE TERM**

Coverage needs to be in force for the complete term of the contract. If insurance expires during the term of the contract, a new certificate must be received by the State at least thirty (30) days prior to the expiration of this insurance. Any new insurance must still comply to the original terms of the contract.

* 1. **POLICY CANCELLATION OR TERMINATION & NOTICE OF NON-RENEWAL**

Contractor is responsible to notify the State within five (5) business days before the effective date of any cancellation, non-renewal or material change that affects required insurance coverage. In the event Contractor fails to keep in effect at all times the specified insurance coverage, the State may, in addition to any other remedies it may have, terminate this Contract upon the occurrence of such event, subject to the provisions of this Contract.

* 1. **DEDUCTIBLE**

Contractor is responsible for any deductible or self-insured retention contained within their insurance program.

* 1. **PRIMARY CLAUSE**

Any required insurance contained in this contract shall be primary, and not excess or contributory, to any other insurance carried by the State.

* 1. **INSURANCE CARRIER REQUIRED RATING**

All insurance companies must carry a rating acceptable to the Office of Risk and Insurance Management – A or better and financial size category of VII or better to the latest edition of the A.M. Best Key Rating Guide. If the Contractor is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required.

* 1. **ENDORSEMENTS**

Any required endorsements requested by the State must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.

* 1. **INADEQUATE INSURANCE**

Inadequate or lack of insurance does not negate the contractor’s obligations under the contract.

* 1. **SATISFYING A SELF–INSURED RETENTION (SIR)**

All insurance policies required by this contract/permit must allow the State to pay and/or act as the contractor’s agent in satisfying any self-insured retention. The choice to pay and/or act as the contractor’s agent in satisfying any SIR is at the State’s discretion.

* 1. **AVAILABLE COVERAGES/LIMITS**

All coverage and limits available to the contractor shall also be available and applicable to the State.

* 1. **SUBCONTRACTORS**

In the case of Contractor utilization of subcontractors to complete the contracted scope of work, contractor shall include all subcontractors as insured under Contractor’s insurance or supply evidence of insurance to The State equal to policies, coverages and limits required of Contractor.

1. **INSURANCE REQUIREMENTS**
	1. **COMMERCIAL GENERAL LIABILITY**

Contractor shall maintain general liability on an occurrence form with limits not less than one million dollars ($1,000,000) per occurrence for bodily injury and property damage liability combined with a two million dollars ($2,000,000) annual policy aggregate. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Contractor’s limit of liability.

**The policy must include The State of California, its officers, agents, employees and servants as additional insureds, but only with respect to work performed under the contract.**

This endorsement must be supplied under form acceptable to the Office of Risk and Insurance Management.

* 1. **AUTOMOBILE LIABILITY**

By signing this Agreement, the Contractor certifies that the Contractor and any employees, subcontractors or servants possess valid automobile coverage in accordance with California Vehicle Code sections 16450 to 16457, inclusive. The State reserves the right to request proof at any time.

* 1. **WORKERS COMPENSATION AND EMPLOYERS’ LIABILITY**

Contractor shall maintain statutory worker’s compensation and employer’s liability coverage for all its employees who will be engaged in the performance of the Contract. Employer’s liability limits of one million dollars ($1,000,000) are required. The insurer waives any right of recovery the insurer may have against the State because of payments the insurer makes for injury or damage arising out of the work done under contract/permit with the State.

**A Waiver of Subrogation or Right to Recover endorsement in favor of the State must be attached to the certificate.**

* 1. **ERRORS AND OMISSIONS/PROFESSIONAL LIABILITY**

Contractor shall maintain errors and omissions/professional liability insurance with limits no less than one million dollars ($1,000,000) each occurrence and two million dollars ($2,000,000) annual aggregate.

If the policy is written on a claims-made basis provide the following:

* + 1. The retroactive date must be shown and must be before the date of the contract or the beginning of contract work.
		2. Insurance must be maintained, and evidence of insurance must be provided for at least three (3) years after completion of the contract work.
		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 three (3) years after completion of the work.