

**OFM COMPETITIVE PROCESS (CP) 16-100
ATTACHMENT 2
INSURANCE REQUIREMENTS**

INSURANCE (M)

The successful Contractor shall furnish the OFM copies of certificates of all required insurance within fifteen (15) calendar days of the Contract's effective date. Failure to provide evidence of coverage may, at OFM's sole option result in the Contract's termination.

The Contractor shall, at its own expense, obtain and keep insurance coverage that shall be maintained in full force and effect during the term of the contract.

Liability Insurance

Commercial General Liability Insurance (CGL): Contractor shall maintain Commercial General Liability insurance and, if necessary, commercial umbrella insurance, with a limit of not less than \$2,000,000 per each occurrence. If CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the "each occurrence" limit. CGL insurance shall have products-completed operations aggregate limit of at least two times the "each occurrence" limit. All insurance shall cover liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and contain separation of insured's (cross liability) condition. Insurance shall be provided to include business interruption coverage, \$1,000,000 individual/\$2,000,000 aggregate.

Professional Liability Insurance: Contractor shall maintain Professional Liability insurance with minimum limits no less than \$1,000,000 per incident, loss, or person, as applicable including coverage for errors and omissions caused by Contractor's negligence in the performance of its duties under this agreement. If defense costs are paid within the limit of liability, Contractor shall maintain limits of \$2,000,000 per incident, loss, or person, as applicable. If the policy contains a general aggregate or policy limit, it shall be at least two times the incident, loss or person limit.

Cyber Liability Insurance:

Vendor shall have and maintain insurance limits in the minimum amount of \$1,000,000 per claim and \$2,000,000 annual aggregate to be maintained for the duration of the agreement and three years following its termination to respond to privacy and network security liability claims arising for any reason.

Computer Crime and Fraud Insurance: Contractor shall maintain Computer Crime and Fraud coverage with a limit of not less than \$1,000,000.

Business Auto Policy: As applicable, the Contractor shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than \$1,000,000 per accident. Such insurance shall cover liability arising out of "Any Auto".

Additionally, the Contractor is responsible for ensuring that any Subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

Employers Liability ("Stop Gap") Insurance

In addition, the Contractor shall buy employers liability insurance, naming the State as an additional insured, and, if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 per each accident for bodily injury by accident or \$1,000,000 per each employee for bodily injury by disease.

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Additional Provisions

Above insurance policy shall include the following provisions:

- **Additional Insured.** The state of Washington, Office of Financial Management, its elected and appointed officials, agents and employees shall be named as an additional insured on all general liability, excess, umbrella and property insurance policies. All insurance provided in compliance with the contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the State.
- **Cancellation.** State of Washington, Office of Financial Management, shall be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications. *Insurers subject to Chapter 48.18 RCW (Admitted and Regulation by the Insurance Commissioner):* The insurer shall give the State 45-days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the State shall be given 10-days advance notice of cancellation.
- *Insurers subject to Chapter 48.15 RCW (Surplus lines):* The State shall be given twenty (20) days advance notice of cancellation. If cancellation is due to non-payment of premium, the State shall be given ten (10) days advance notice of cancellation.
- **Identification.** Policy must reference the State's contract number and the OFM name.
- **Insurance Carrier Rating.** All insurance and bonds should be issued by companies admitted to do business within the state of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports. Any exception shall be reviewed and approved by the Risk Manager for the state of Washington, before the contract is accepted or work may begin. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and 284-15 WAC.
- **Excess Coverage.** By requiring insurance herein, the State does not represent that coverage and limits will be adequate to protect Contractor and such coverage and limits shall not limit Contractor's liability under the indemnities and reimbursements granted to the State in this contract.