

# M.U.S.I.C.

## Third Party\Vendors Coverage Recommendations

### October 2020

The insurance recommendations herein are minimum requirements that each M.U.S.I.C. Member can use as guidelines for third party and vendor contracts. Every contract has risks that must be reviewed from the perspective of protecting the Member's assets and reputation. This workbook is intended to provide guidelines and tools to help manage these risks and in no way limit the indemnity covenants contained for the contracts.

A couple of caveats:

- Indemnity Agreements clauses and Limitation of Liability clauses are not reviewed within this document. These should be reviewed with University Counsel.
- M.U.S.I.C. in no way warrants that the minimum limits contained herein are sufficient to protect any vendors from liabilities that might arise out of the performance of the work under contracts by the vendors, its agents, representatives, employees or subcontractors. Vendors are free to purchase additional insurance to protect their interests.

**All Policies outlined in the following tabs should include the requirements listed below:**

- Shall be endorsed on a primary basis, non-contributory with any other insurance coverages and/or self-insurance carried by the University.
- Shall be written on an occurrence basis (professional and pollution liability can be on a claims-made basis). Any claims made coverage should require an extended reporting period for the duration of the contract or three years, whichever is greater. Exceptions should be noted to University.
- Shall be endorsed to include University and its governing board, officers, agents and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the vendor. This is evidenced on the Certificate of Insurance as well as a copy of the endorsement to the vendor's insurance.
- Shall contain a waiver of subrogation in favor of University and its governing board, officers, agents and employees for losses arising from work performed by or on behalf of the Service Provider.
- Limits can be met with a combination of primary and/or excess/umbrella coverage or equivalent.
- Coverage provided by the vendor shall not be limited to the liability assumed under the indemnification provisions of this project.

**NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, cancelled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the University. Such notice shall be sent directly to the University Risk Management department. Policies need to be endorsed accordingly.

**ACCEPTABILITY OF INSURERS:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the State of Michigan with an "A.M. Best" rating of not less than A- VII.

**VERIFICATION OF COVERAGE:** Vendor shall furnish the University with certificates of insurance (ACORD form or equivalent) as required by this Project, along with a copy of the policy endorsement evidencing said change upon request. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Employers covered for Worker' Compensation through the State Fund shall provide a copy of their current "Certificate of Premium Payment" to evidence they have coverage.

All certificates and endorsements are to be received and approved by the University before work commences. Each insurance policy required by this Project must be in effect at or prior to commencement of work under this Project and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Project, or to provide evidence of renewal, is a material breach of contract.

**SUBCONTRACTORS:** Vendor certificate(s) shall include all subcontractors as insureds under its policies or Service vendor shall furnish to the University separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

**DOCUMENT SUBMISSION:** Certificates of Insurance, copies of endorsed policies, notices of cancellations, and any other documentation as required by the insurance provisions of this Project shall be sent to University Risk Management Department.

**A good reference is URMIA's Third Party Contract Insurance Guidelines. This is a good primer that has been distributed with these guidelines.**

## MINIMUM COVERAGE RECOMMENDATIONS

**NOTE: Requirements based on M.U.S.I.C. Recommendations. For any exceptions, contact Risk Management.  
SEE GENERAL REQUIREMENTS TAB**

ACTIVITY or SERVICE	COVERAGES AND LIMITS	NOTES
<b>Amusement &amp; Game Activities</b> Inflatables Mechanical Bulls Gyroscopes Ferris wheels Dunk tanks	Workers' Compensation with Employers' Liability      Statutory Limits & EL \$1,000,000 Commercial General Liability      \$1,000,000 per occurrence & \$2,000,000 aggregate Professional Liability      \$2,000,000 per occurrence & \$2,000,000 aggregate Auto Liability      \$1,000,000 Excess Liability (umbrella)      \$5,000,000 per occurrence University Added as Additional Insured <b>NOTE: Waivers required for all amusement &amp; game activities</b>	
<b>Artists or Performers</b>	Workers' Compensation with Employers' Liability      Statutory Limits & EL \$1,000,000 Commercial General Liability      \$1,000,000 per occurrence & \$2,000,000 aggregate Professional Liability      \$2,000,000 per occurrence & \$2,000,000 aggregate Auto Liability      \$1,000,000 Excess Liability (umbrella)      \$1,000,000 per occurrence University Added as Additional Insured	
<b>Armored Truck Services</b>	Workers' Compensation with Employers' Liability      Statutory Limits & EL \$1,000,000 Commercial General Liability      \$1,000,000 per occurrence & \$2,000,000 aggregate Professional Liability      \$2,000,000 per occurrence & \$2,000,000 aggregate Auto Liability      \$1,000,000 Excess Liability (umbrella)      \$1,000,000 per occurrence University Added as Additional Insured	
<b>Auditing Firms</b>	Workers' Compensation with Employers' Liability      Statutory Limits & EL \$1,000,000 Commercial General Liability      \$1,000,000 per occurrence & \$2,000,000 aggregate Professional Liability      \$2,000,000 per occurrence & \$2,000,000 aggregate Auto Liability      \$1,000,000 Excess Liability (umbrella)      \$1,000,000 per occurrence University Added as Additional Insured except on Professional Liability	
<b>Banking Services</b>	Workers' Compensation with Employers' Liability      Statutory Limits & Employer Limit \$1,000,000 Commercial General Liability      \$1,000,000 per occurrence & \$2,000,000 aggregate Professional Liability      \$5,000,000 per occurrence & \$5,000,000 aggregate Cyber Risk Liability      \$2,000,000 per occurrence & \$6,000,000 aggregate Auto Liability      \$1,000,000 Excess Liability (umbrella)      \$1,000,000 per occurrence Crime/Employee Dishonesty Liability      \$5,000,000 per occurrence & \$5,000,000 aggregate Name WMU as an additional insured A Bankers Bond should also be provided (the Crime/Employee Dishonesty Liability may be included in the Bankers Bond)	
<b>Charter Aviation</b>	Workers' Compensation with Employers' Liability *      Statutory Limits & EL \$1,000,000 Commercial General Liability      \$1,000,000 per occurrence & \$2,000,000 aggregate Auto Liability for "All owned vehicles"      \$1,000,000 Aviation Liability      \$5,000,000 per occurrence - minimum Excess Liability (umbrella)      \$5,000,000 per occurrence University Added as Additional Insured With respect to the Aircraft Liability the rule of thumb is a minimum of \$5-7M per seat.	Need to be added as additional insured and ask for a waiver of subrogation. Carriers with only part 125 certification should be prohibited. Must have a part 121 or 135 certification.
<b>Charter Buses, Limousine Rentals, One-Day Bus Trips, Ride Share Services</b>	Workers' Compensation with Employers' Liability *      Statutory Limits & EL \$1,000,000 * Many drivers are contract drivers, not employees. Important to see who is covering them for WC Commercial General Liability      \$1,000,000 per occurrence & \$2,000,000 aggregate Auto Liability for "All owned vehicles"      \$1,000,000 Excess Liability (umbrella)      \$15,000,000 per occurrence or more depending upon # travelers University Added as Additional Insured Safety Rating must be at least "Satisfactory" per <a href="http://ai.fmcsa.dot.gov/Passenger/find_carrier.asp">http://ai.fmcsa.dot.gov/Passenger/find_carrier.asp</a> List of Charters should be approved in advance <b>NOTE: Certificates of Insurance Always Required -- No Exceptions!!</b> <b>NOTE: *Most Charter Companies are only required to carry \$5,000,000 limits. The member institution should always ask for higher auto liability limits, but can make the financial decision to waive higher limits.</b> <b>NOTE: Excess limits for Rideshare services should be secured through sponsoring entity (UBER, LYFT, etc.) Individual contract ride share drivers may only be able to evidence \$1,000,000 umbrella limits</b>	
<b>Clinic Research Studies</b> MD, DO, DDS, OD, Pharmacies, Hospitals, Clinics	Workers' Compensation with Employers' Liability      Statutory Limits & EL \$1,000,000 Commercial General Liability      \$1,000,000 per occurrence & \$2,000,000 aggregate Medical Professional Liability      \$1,000,000 per occurrence & \$3,000,000 aggregate Auto Liability      \$1,000,000 Excess Liability (umbrella)      \$1,000,000 per occurrence University Added as Additional Insured except on Professional Liability	
<b>Consultants</b> Apparel, wrapping outside of cars, etc.  (For any IT consulting services, refer to IT Services requirements)	Workers' Compensation with Employers' Liability      Statutory Limits & Employer Limit \$1,000,000 Commercial General Liability      \$1,000,000 per occurrence & \$2,000,000 aggregate Professional Liability      \$2,000,000 per occurrence & \$2,000,000 aggregate Auto Liability      \$1,000,000 Excess Liability (umbrella)      \$1,000,000 per occurrence University Added as Additional Insured except on Professional Liability	Investment Advisory Service limits are listed below.

## MINIMUM COVERAGE RECOMMENDATIONS

**NOTE: Requirements based on M.U.S.I.C. Recommendations. For any exceptions, contact Risk Management.  
SEE GENERAL REQUIREMENTS TAB**

<b>Engineers</b>	Workers' Compensation with Employers' Liability Commercial General Liability Professional Liability Auto Liability Excess Liability (umbrella) University Added as Additional Insured except on Professional Liability	Statutory Limits & Employer Limit \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$2,000,000 per occurrence & \$2,000,000 aggregate \$1,000,000 \$1,000,000 per occurrence	Auto liability for when they are going to be on campus. If not going to be on campus or traveling as a representative of WMU, do not need.
	<b>Less than \$1,000</b>		
<b>Food Service</b> Less than \$1,000	Workers' Compensation with Employers' Liability Commercial General Liability Auto Liability Excess Liability (umbrella) University Added as Additional Insured	Statutory Limits & Employer Limit \$1,000,000 \$1,000,000 per occurrence & \$1,000,000 aggregate \$1,000,000 \$1,000,000 per occurrence	
	<b>More than \$1,000</b>		
<b>Food Service</b> More than \$1,000	Workers' Compensation with Employers' Liability Commercial General Liability Auto Liability Excess Liability (umbrella) University Added as Additional Insurance	Statutory Limits & Employer Limit \$1,000,000 \$1,000,000 per occurrence & \$1,000,000 aggregate \$1,000,000 \$2,000,000 per occurrence	
Space rental - food			
Space rental - non - food			
<b>Games</b>	Refer to "Amusements & Games" Activity		
<b>General Contractors/Construction Managers</b>	Refer to "Construction Projects" Worksheet		
	<b>Less than \$100,000</b>		
<b>Hazardous Materials Management with Disposal</b>	Workers' Compensation with Employers' Liability Commercial General Liability with Pollution & Legal Liability Auto Liability with Pollution & Legal Liability Excess Liability (umbrella) University Added as Additional Insured Environmental and auto pollution endorsement for transporting and pick up delivery and non owned disposal sites.	Statutory Limits & Employer Limit \$1,000,000 \$2,000,000 per occurrence/\$5,000,000 aggregate \$1,000,000 per occurrence \$2,000,000 per occurrence	
Asbestos			
Chemicals			
Lead			
	<b>More than \$100,000</b>		
<b>Hazardous Materials Management with Disposal</b>	Workers' Compensation with Employers' Liability Commercial General Liability with Pollution & Legal Liability Auto Liability with Pollution & Legal Liability Excess Liability (umbrella) University Added as Additional Insured	Statutory Limits & Employer Limit \$1,000,000 \$2,000,000 per occurrence & \$10,000,000 aggregate \$1,000,000 per occurrence \$5,000,000 per occurrence	
Asbestos			
Chemicals			
Lead			
<b>Information Technology Services</b>	Workers' Compensation with Employers' Liability Commercial General Liability Professional Liability Cyber Risk Liability Auto Liability Excess Liability (umbrella) University Added as Additional Insured - Do not accept waiver of subrogation on cyber coverage	Statutory Limits & Employer Limit \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$2,000,000 per occurrence & \$2,000,000 aggregate \$2,000,000 per occurrence & \$6,000,000 aggregate \$1,000,000 \$1,000,000 per occurrence	
"Clean" hard drives, scanners, copiers			
Encryption services			
Hardware, software, network consultants			
<b>Medical Professionals</b> MD, DO, DDS, OD	Workers' Compensation with Employers' Liability Commercial General Liability Medical Professional Liability Auto Liability Excess Liability (umbrella) University Added as Additional Insured except on Professional Liability	Statutory Limits & Employer Limit \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$1,000,000 per occurrence & \$3,000,000 aggregate \$1,000,000 \$1,000,000	
<b>Self-Employed/Sole-Proprietorship</b>	In order to allow self-employed vendors to work on campus without auto insurance and without workers compensation insurance, the following self-employed insurance guidelines need to be answered/followed:		
	1. Is the vendor self-employed and classified as a sole-proprietorship? If yes, go to #2 below. If no, go to #3 below.		
	2. If the vendor is self-employed and classified as a sole-proprietorship, the following information is needed:		
	a. A certificate of insurance with minimum general liability limits of \$1 million per occurrence/\$2 million aggregate, if applicable.		
	b. A copy of the vendor's DBA (doing business ad), if applicable.		
	c. The vendor's tax ID number, if applicable.		
	d. A statement/letter stating that the vendor is a self-employed, sole-proprietorship, who works independently, has no employees, does not work for Western Michigan University, and will provide their own auto insurance coverage. This statement/letter IS required with or without the other three items listed above.		
	3. If the vendor is self-employed and not classified as a sole-proprietorship, the following information is needed:		
	a. The type of entity that the vendor is classified as - partnership, corporation, LLC, or other.		
	b. A certificate of insurance with minimum general liability limits of \$1 million per occurrence/\$2 million aggregate, if applicable.		
	c. A copy of the vendor's DBA (doing business ad), if applicable.		
	d. The vendor's tax ID number, if applicable.		
	e. Depending on the classification, a "WC-337 Notice of Exclusion Form" may be needed. Contact the "Compliance & Employer Records Division" with the State of Michigan at 517-284-8922 for help with filing this form. If a form is completed, a copy must be sent to Western Michigan University with the other items listed above, along with a statement that the vendor will provide their own auto insurance coverage.		
	f. A statement/letter stating that the vendor is self-employed, works independently, has or does not have employees, does not work for Western Michigan University, and will provide their own auto insurance coverage is needed, if, the "WC-337 Notice of Exclusion Form" does not apply.		

## MINIMUM COVERAGE RECOMMENDATIONS

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<b>Shredding Services</b>	Workers' Compensation with Employers' Liability Commercial General Liability Professional Liability** Auto Liability Excess Liability (umbrella) University Added as Additional Insured HIPPA endorsement Cyber coverage ** See definitions for shredding privacy coverage	Statutory Limits & Employer Limit \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$2,000,000 per occurrence & \$2,000,000 aggregate \$1,000,000 \$5,000,000 per occurrence
<b>Shuttle Buses</b>	Workers' Compensation with Employers' Liability * * Many drivers are contract drivers, not employees. Important to see who is covering them for WC Commercial General Liability Auto Liability for "All owned vehicles" Excess Liability (umbrella) University Added as Additional Insured <b>NOTE: Certificates of Insurance Always Required -- No Exceptions!!</b> <b>NOTE: *Most Charter Companies are only required to carry \$5,000,000 limits. The member institution should always ask for higher</b>	Statutory Limits & EL \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$1,000,000 \$15,000,000 per occurrence or more depending upon # travelers
<b>Summer Camp Providers</b> (non-University employees)	Workers' Compensation with Employers' Liability Commercial General Liability w/ Sexual Molestation Coverage Auto Liability Excess Liability (umbrella) w/ Sexual Molestation Coverage University Added as Additional Insured	Statutory Limits & Employer Limit \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$1,000,000 \$1,000,000 per occurrence
<b>Surveyors</b>	Workers' Compensation with Employers' Liability Commercial General Liability Professional Liability Auto Liability Excess Liability (umbrella) University Added as Additional Insured	Statutory Limits & Employer Limit \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$2,000,000 per occurrence & \$2,000,000 aggregate \$1,000,000 \$1,000,000 per occurrence
<b>Testing Labs</b>	Workers' Compensation with Employers' Liability Commercial General Liability Professional Liability Auto Liability Excess Liability (umbrella) University Added as Additional Insured	Statutory Limits & Employer Limit \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$2,000,000 per occurrence & \$2,000,000 aggregate \$1,000,000 \$1,000,000 per occurrence
<b>Valet Services</b>	Workers' Compensation with Employers' Liability Commercial General Liability Auto Liability Garage Keepers Liability Excess Liability (umbrella) University Added as Additional Insured	Statutory Limits & Employer Limit \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$1,000,000 \$2,000,000 \$1,000,000 per occurrence
<b>Replacement services on campus</b> (non-University employees permanent services) food services, janitorial, etc.	Workers' Compensation with Employers' Liability including alternate employer endorsement Commercial General Liability w/ Sexual Molestation Coverage Auto Liability Excess Liability (umbrella) w/ Sexual Molestation Coverage University Added as Additional Insured on all lines except professional Crime coverage – stealing of third party property(students, etc.)	Statutory Limits & Employer Limit \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$1,000,000 \$5,000,000 per occurrence \$250,000 limit
<b>Cloud Services</b>	Workers' Compensation with Employers' Liability Commercial General Liability Auto Liability Excess Liability (umbrella) Cyber coverage University Added as Additional Insured - Do not accept waiver of subrogation on cyber coverage	Statutory Limits & Employer Limit \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$1,000,000 \$1,000,000 per occurrence \$3,000,000 per occurrence
<b>Investment Advisory Services</b>	Workers' Compensation with Employers' Liability Commercial General Liability Professional Liability Fiduciary Liability Auto Liability Excess Liability (umbrella)	Statutory Limits & Employer Limit \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$5,000,000 per occurrence & \$5,000,000 aggregate \$10,000,000 \$1,000,000 \$1,000,000 per occurrence

**Workers' Compensation**

There are two lines of coverage to a Workers' Compensation program:

**Part 1** is first party coverage that the employers policies pay for the medical, disability, and rehab.

**Part 2** is for lawsuits by an employee or Member has agreed to indemnify an organization to reimburse them if a employee is injured on their property or machines, etc. See expansion below:

- Workers' Compensation is a statutorily imposed obligation or a no-fault compulsory state insurance system. When an employee sustains an injury arising out of the workplace or suffers an occupational disease to which a Workers' Compensation statute is applicable, the employer is subject to absolute liability and the employee cannot sue their employer. (Coverage A)
- Employer's Liability insurance covers employers against common law liability involving employee injuries not covered by Workers' Compensation laws – (Coverage B)

**Four Main WC Claims Categories:**

- Temporary Total Disability (TTD)
  - Keeps claimant from returning to regular employment (e.g. acute post -injury timeframe)
- Temporary Partial Disability (TPD)
  - Duration not indefinite and does not keep from gainful employment (e.g., fracture, sprain)
- Permanent Total Disability (PTD)
  - Unable to perform work, Loss of or loss of use of body part(s)
- Permanent Partial Disability (PPD)
  - Individual able to work but has residual medical impairment expected for indefinite duration

# MINIMUM COVERAGE RECOMMENDATIONS

NOTE: Requirements based on M.U.S.I.C. Recommendations. For any exceptions, contact Risk Management.

## SEE GENERAL REQUIREMENTS TAB

ACTIVITY or SERVICE	COVERAGE AND LIMITS	
<b>Architects &amp; Designers</b>		
<b>Projects \$5,000,000 - \$25,000,000</b>	Workers' Compensation with Employer Liability Commercial General Liability Professional Liability Auto Liability Excess Liability (umbrella) University Added as Additional Insured on CGL & Auto	Statutory Limits & EL \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$5,000,000 per claim & \$10,000,000 aggregate * \$1,000,000 \$5,000,000 * If we require them to have higher PL limits and we PAY for them, then the limits need to be part of an endorsement that says they're for the University
<b>Architects &amp; Designers</b>		
<b>Projects \$25,000,001 - \$50,000,000</b>	Workers' Compensation with Employer Liability Commercial General Liability Professional Liability Auto Liability Excess Liability (umbrella) University Added as Additional Insured on CGL & Auto	Statutory Limits & EL \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$10,000,000 per claim & \$20,000,000 aggregate * \$1,000,000 \$10,000,000 * If we require them to have higher PL limits and we PAY for them, then the limits need to be part of an endorsement that says they're for the University
<b>Architects &amp; Designers</b>		
<b>Projects &gt; \$50,000,000</b>	Workers' Compensation with Employer Liability Commercial General Liability Professional Liability Auto Liability Excess Liability (umbrella) University Added as Additional Insured on CGL & Auto	Statutory Limits & EL \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate Consult Risk Manager for Limits * \$1,000,000 \$15,000,000 * If we require them to have higher PL limits and we PAY for them, then the limits need to be part of an endorsement that says they're for the University
<b>Builders Risk Property Coverage</b>		
	Builders' Risk (Property Coverage) should be confirmed on all projects, either under existing property coverage, contractor arranged builders' risk or standalone builders' risk coverage. Each project is unique and should be discussed with Marsh if not clear how to arrange builders risk. Some considerations: - Limits should be for the full value of the project including any soft costs - Coverage should be for the full term of the project - For renovation projects and projects affecting existing structures, consult with Marsh to coordinate property coverage - Delay in Start-up/Completion coverage should be considered on projects with financial or revenue obligations tied to	
<b>General Contractors/Construction Managers</b>		
<b>Projects &lt; \$5,000,000</b>	Workers' Compensation with Employers' Liability & Alternate Employers Endorsement Commercial General Liability Contractors' Pollution Liability with E&O Professional Liability Auto Liability with Pollution & Legal Liability Excess Liability (umbrella) University Added as Additional Insured on CGL & Auto	Statutory Limits & EL \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$5,000,000 per claim \$2,000,000 per claim & \$4,000,000 aggregate * \$1,000,000 \$2,000,000 * If we require them to have higher PL limits and we PAY for them, then the limits need to be part of an endorsement that says they're for the University
<b>General Contractors/Construction Managers</b>		
<b>Projects \$5,000,000 - \$25,000,000</b>	Workers' Compensation with Employers' Liability & Alternate Employers Endorsement Commercial General Liability Contractors' Pollution Liability Professional Liability Auto Liability with Pollution & Legal Liability Excess Liability (umbrella) University Added as Additional Insured on CGL & Auto	Statutory Limits & EL \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$10,000,000 per claim \$5,000,000 per claim & \$5,000,000 aggregate * \$1,000,000 \$5,000,000 * If we require them to have higher PL limits and we PAY for them, then the limits need to be part of an endorsement that says they're for the University
<b>General Contractors/Construction Managers</b>		
<b>Projects \$25,000,001 - \$50,000,000</b>	Workers' Compensation with Employers' Liability & Alternate Employers Endorsement Commercial General Liability Contractors' Pollution Liability Professional Liability Auto Liability with Pollution & Legal Liability Excess Liability (umbrella)	Statutory Limits & EL \$1,000,000 \$1,000,000 per occurrence & \$2,000,000 aggregate \$10,000,000 per claim \$10,000,000 per claim & \$20,000,000 aggregate * \$1,000,000 \$15,000,000

## MINIMUM COVERAGE RECOMMENDATIONS

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### SEE GENERAL REQUIREMENTS TAB

	University Added as Additional Insured on CGL & Auto	* If we require them to have higher PL limits and we PAY for them, then the limits need to be part of an endorsement that says they're for the University
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# MINIMUM COVERAGE RECOMMENDATIONS

**NOTE: Requirements based on M.U.S.I.C. Recommendations. For any exceptions, contact Risk Management.**

## SEE GENERAL REQUIREMENTS TAB

General Contractors/Construction Managers	
<p><b>Projects &gt; \$50,000,000</b></p>	<p>Workers' Compensation with Employers' Liability &amp; Alternate Employers Endorsement                      Commercial General Liability                      Contractors' Pollution Liability                      Professional Liability                      Auto Liability with Pollution &amp; Legal Liability                      Excess Liability (umbrella)                       University Added as Additional Insured on CGL &amp; Auto</p> <p style="text-align: right;">Statutory Limits &amp; EL \$1,000,000                      \$1,000,000 per occurrence &amp; \$2,000,000 aggregate                      \$10,000,000 per claim                      Consult Risk Manager for Limits *                      \$1,000,000                      \$15,000,000                      * If we require them to have higher PL limits and we PAY for them, then the limits need to be part of an endorsement that says they're for the University</p>
Contractors/Sub-Contractors	
<p><b>Constructions Projects -- Low Risk</b></p> <p>Carpet Cleaning                      Fencing                      Furniture Repair/Installation                      Glass                      Landscaping (no electrical or excavation)</p> <p>Minor Concrete Repair Work                      Nonstructural Remodeling                      Painting -- interior                      Signs -- no welding</p>	<p>Workers' Compensation with Employers' Liability                      Commercial General Liability                      Auto Liability with Pollution &amp; Legal Liability                      Excess Liability (umbrella)                      University Added As Additional Insured</p> <p style="text-align: right;">Statutory Limits &amp; EL \$1,000,000                      \$1,000,000 per occurrence &amp; \$2,000,000 aggregate                      \$1,000,000                      \$1,000,000</p> <p style="background-color: yellow;">Sub contractors endorsements must name the owner(Member) as an additional Insured including completed operations cover</p>
<p><b>NOTE: All projects involving cranes must use High Risk limits.</b></p>	
Contractors/Sub-Contractors	
<p><b>Constructions Projects -- Medium Risk</b></p> <p>Alarm Systems (fire/security)                      Concrete in Major Traffic Area                      Equipment Rental w/ Operator (no cranes)                      Flooring Installation                      Painting -- exterior</p> <p>Pavement Sealing or Repairs                      Roofing -- minor                      Street Repair -- minor                      Structural Repairs</p>	<p>Workers' Compensation with Employers' Liability                      Commercial General Liability                      Professional Liability                      Auto Liability with Pollution &amp; Legal Liability                      Excess Liability (umbrella)                      University Added As Additional Insured</p> <p style="text-align: right;">Statutory Limits &amp; EL \$1,000,000                      \$1,000,000 per occurrence &amp; \$2,000,000 aggregate                      \$1,000,000 per claim &amp; \$2,000,000 aggregate                      \$1,000,000                      \$1,000,000</p> <p style="background-color: yellow;">Sub contractors endorsements must name the owner(Member) as an additional Insured including completed operations cover</p>
<p><b>NOTE: All projects involving cranes must use High Risk limits.</b></p>	
Contractors/Sub-Contractors	
<p><b>Constructions Projects -- High Risk</b></p> <p>Asbestos &amp; Lead Abatement **                      Bleachers &amp; Seating</p> <p>Boilers/Steam Generators                      Boring or Tunneling                      Crane Rental w/ Operator                      Demolition                      Elevators</p> <p>HazMat Abatement/Disposal                      Heavy Construction Equipment Rental</p> <p>Helicopter w/ Operator ***                      High-risk Interior/Exterior Remodeling                      High-voltage Electrical                      Kitchen/Lab Work Near High \$ Equipment                      Major Building Renovation                      Major Construction of New Buildings                      Power Lines &amp; Poles                      Underground Work                      Roofing -- major                      Welding/Torch Cutting                      All Projects &gt; \$5,000,000</p>	<p>Workers' Compensation with Employers' Liability &amp; Alternate Employers Endorsement                      Commercial General Liability                      Contractors' Pollution Liability</p> <p style="text-align: right;">Statutory Limits &amp; EL \$1,000,000                      \$1,000,000 per occurrence &amp; \$2,000,000 aggregate                      \$10,000,000 per claim                      Same limits as General Contractors/Construction Managers for Projects of Same Value                      \$1,000,000                      \$10,000,000                      \$10,000,000</p> <p>Professional Liability *                      Auto Liability with Pollution &amp; Legal Liability                      Excess Liability (umbrella)                      Aviation Liability ***                      University Added As Additional Insured</p> <p style="text-align: right;">* If we require them to have higher PL limits and we PAY for them, then the limits need to be part of an endorsement that says they're for the University</p> <p style="background-color: yellow;">Sub contractors endorsements must name the owner(Member) as an additional Insured including completed operations cover</p> <p>** For transportation/disposal of asbestos &amp; lead, refer to requirements for Hazardous Management &amp; Disposal</p>

Insurance Type	Definition
Alternate Employers Endorsement	An endorsement to a workers compensation policy that provides an entity scheduled as an alternate employer with primary workers compensation and employers liability coverage as if it were an insured in the policy. This endorsement is commonly used when a temporary help supplier (the insured) is required by its customer (the alternate employer) to protect the alternate employer from claims brought by the insured's employees.
Auto Liability	Coverage for bodily injury or property damage to others incurred by operation of an owned or used motor vehicle.
Auto Physical Damage	Coverage for damage to the owned or used vehicle.
Builders Risk	Coverage for damage to the project that occurs during construction or financial loss caused by delayed completion. This coverage is provided by University's property insurance.
Commercial General Liability (CGL)	Coverage for claims for damages due to bodily injury or personal injury to any person or for damages to tangible property of others. University should always be included as an Additional Insured for CGL.
Professional Contractual Liability Insurance	Coverage for claims for damages arising from the Architect's liability concerning indemnification for errors, omissions, or negligent acts in the course of the professional service.
Employer's Liability Insurance which is a part of workers' compensation	Coverage for claims and damages due to bodily injury, occupational sickness, or disease or death of an employee when WC may not be an exclusive remedy.
Garage Keepers Liability	Garage Keepers coverage is needed for any business that, <u>for a fee</u> , accepts custody or control of vehicles belonging to 3rd parties. Garage Keepers provides protection for damage to customer's vehicles due to the insured's legal liability, covering, comprehensive, anything other than a collision or overturn, and covering specified causes of loss; i.e., fire, lightning, or explosion; theft; or mischief or vandalism ("bailees" exposure).
Payment Bonds	Guarantee that employees, subcontractors, and suppliers that perform work or supply materials to the project will be paid. These bonds are required for construction, labor, and material.
Performance Bonds	Guarantee that the Contractor will perform according to the terms of the contract. These bonds are required for construction, labor, and material.
Professional Liability Insurance	Coverage for claims for damages arising out of an error, omission, or negligent act in the performance of professional services.
Umbrella or Excess Liability	Additional coverage limits higher than (above) the limits of of the primary general liability and auto policy limits to protect against catastrophic loss. Excess policies sometimes contain exclusions, so should be checked to ensure coverage is at least as broad as primary coverages.
Workers' Compensation (WC)	Coverage for claims under Michigan's WC Act or similar employee benefit act of any other state applicable to an employee. University should not be included as Additional Insured for WC coverage.
Privacy / Cyber cover definition is by IRMI definitions	the policies are intended to cover a variety of both liability and property losses that may result when a business engages in various electronic activities, collecting data within its internal electronic network. cyber and privacy policies cover a business' liability for a data breach in which the firm's customers' personal information, such as Social Security or credit card numbers, is exposed or stolen by a hacker or other criminal who has gained access to the firm's electronic network. The policies cover a variety of expenses associated with data breaches, including: notification costs, credit monitoring, costs to defend claims by state regulators, fines and penalties, and loss resulting from identity theft.
Privacy coverage professional insurance document shredding	<p>Unauthorized access to or theft of sensitive documents</p> <p>Intentional acts by an employee</p> <p>Negotiable instruments falling into the wrong hands</p> <p>Identity theft stemming from information on sensitive documents</p> <p>Violations of privacy, i.e. involving medical records</p> <p>Negative publicity from the release of sensitive documents</p> <p>Improper handling of documents required in a court hearing</p>