

PURCHASE ORDER INSURANCE REQUIREMENT

All vendors and subcontractors performing services and construction projects for Chugach under \$150,000, whether through a Purchase Order or Subcontract, shall carry insurance with the following minimum coverage:

As set out in FAR 28.307-2 Liability:

(a) Workers' compensation and employer's liability. Contractors are required to comply with applicable Federal and State workers' compensation and occupational disease statutes. If occupational diseases are not compensable under those statutes, they shall be covered under the employer's liability section of the insurance policy, except when contract operations are so commingled with a contractor's commercial operations that it would not be practical to require this coverage. Employer's liability coverage of at least \$100,000 shall be required, except in States with exclusive or monopolistic funds that do not permit workers' compensation to be written by private carriers. (See 28.305(c) for treatment of contracts subject to the Defense Base Act.)

(b) General liability.

(1) The contracting officer shall require bodily injury liability insurance coverage written on the comprehensive form of policy of at least \$500,000 per occurrence.

(2) Property damage liability insurance shall be required only in special circumstances as determined by the agency.

(c) Automobile liability. The contracting officer shall require automobile liability insurance written on the comprehensive form of policy. The policy shall provide for bodily injury and property damage liability covering the operation of all automobiles used in connection with performing the contract. Policies covering automobiles operated in the United States shall provide coverage of at least \$200,000 per person and \$500,000 per occurrence for bodily injury and \$20,000 per occurrence for property damage. The amount of liability coverage on other policies shall be commensurate with any legal requirements of the locality and sufficient to meet normal and customary claims.

(d) Aircraft public and passenger liability. When aircraft are used in connection with performing the contract, the contracting officer shall require aircraft public and passenger liability insurance. Coverage shall be at least \$200,000 per person and \$500,000 per occurrence for bodily injury, other than passenger liability, and \$200,000 per occurrence for property damage. Coverage for passenger liability bodily injury shall be at least \$200,000 multiplied by the number of seats or passengers, whichever is greater.

(e) Vessel liability. When contract performance involves use of vessels, the contracting officer shall require, as determined by the agency, vessel collision liability and protection and indemnity liability insurance.

1. Additional Insured. The Contractor shall be listed as additional insured on the Subcontractor's policies for all liability insurance, except worker compensation, required under the terms of this Agreement, and such liability insurance policies, including all primary policies and any excess/umbrella policies shall be primary to any primary and/or excess/umbrella liability insurance carried by the Contractor.
2. Waiver of Subrogation. All policies shall be endorsed to provide that underwriters and insurance companies of the Subcontractor shall not have any rights to subrogate against the Contractor.
3. Certificates of Insurance and Policies. The Subcontractor shall furnish original certificates of insurance evidencing compliance with the foregoing requirements, including the per project general aggregate, as a condition of initial prequalification as well as a condition of continued prequalification for the Contract period. Each Certificate shall provide that the "other insurance" clause of the policies evidenced by the Certificates shall be interpreted to make it primary to any insurance policies maintained by the Contractor which might otherwise be applicable.

Certificates of Insurances shall be delivered or sent to:

Chugach _____
ATTN:
Enter Project Sit Address

4. Premiums Responsibility. All policies shall be endorsed to provide that there will be no recourse against the Contractor for payment of the Subcontractor's premiums.