BOND & INSURANCE REQUIREMENTS

It is suggested that this Exhibit be provided to the Contractor's insurance provider.

Contractor shall not commence work until all required bonds and insurance coverages have been obtained and such insurance has been reviewed and accepted by the District. Certificates of Insurance on the current ACORD form shall be issued to the District showing all required insurance coverages. Required Bonds and Insurance are indicated in column at left.

Bonds Required

	Construction, installation, supply and service contracts (including repair and alteration) exceeding $100,000 require that a 100% Performance or Supply Bond be furnished by the successful bidder (contractor). Contracts exceeding $25,000 require that a 100% Payment Bond be furnished by the successful bidder (contractor). All such bids must include a 5% Bid Bond. Bonds shall be issued by a company authorized to do business in the State of Texas with an A.M. Best Company rating of at least A- X and included on the U.S. Department of the Treasury Listing of Approved Sureties (Dept. Circular 570). The contractor shall be responsible for obtaining bonds and shall absorb any and all costs of such Bonds.

Insurance Required		**Limit Required**
	Automobile Liability insurance covering Any Auto	$1,000,000 Combined Single Limit
	Comprehensive (Commercial) General Liability insurance including Products, Completed Operations, Blanket Contractual, Independent Contractors, Broad Form Property Damage and Pollution Liability coverages. Any XCU exclusions to be removed when underground work is performed. If District students or employees are present, Contractor must provide proof of Sexual Misconduct insurance and certify Background Checks.	$1,000,000 Aggregate, Occurrence and Personal Injury $ 500,000 Fire Damage $ 5,000 Medical Payments Per Project Aggregate Evidence of coverage must be shown on certificates of insurance.
	Professional Errors & Omissions Liability insurance may be required from contractors and individuals or entities licensed or certified as professionals; e.g., engineers, architects, insurance agents, physicians, attorneys, banks, financial and other consultants, etc.	One time project amount; $1,000,000 minimum, $5,000,000 Maximum Limit Retroactive Date preceding date of contract must be shown Extended Reporting Period three years past completion of contract
	Workers Compensation insurance with limits to comply with the requirements of the Texas Workers' Compensation Act	Statutory Limits Employers Liability insurance $1,000,000
	Umbrella or Excess Liability insurance (excess of primary General Liability, Automobile Liability and WC Coverage B) Certificate must list underlying policies and indicate that coverage is "following form".	One time project amount for all contracts exceeding $100,000, up to $25,000,000 total limit

Limits for primary policies may differ from those shown when Umbrella or Excess Liability insurance is provided.

	All Risk Builders Risk Property Insurance shall be required for all construction contracts when property of the owner is at risk or in the care, custody and control of the Contractor. Builders Risk insurance shall be required for all construction contracts requiring a bond. All Property insurance shall include coverage against the perils of Flood and Earthquake and Domestic Terrorism. (An Installation Floater may be substituted when contract involves installation only.)	Contract Limit or Replacement Cost Value of Scope of Work whichever is greater Permission to Occupy granted Deductible: 1% of contract, $50,000 maximum, unless otherwise approved by the Owner.

Insurance Conditions

All insurance coverages shall be issued on an Occurrence basis (except Professional Liability) by companies acceptable to District and licensed to do business in the State of Texas by the Texas Department of Insurance. Such companies shall have a Best's Key rating of at least "A- X".

All certificates must include:

1. The location or description and the bid number, CSP number or Purchase Agreement number,
2. Copies of the following endorsements, **specifically naming the District**:
   A. 60 day notice non-renewal, cancellation or material change to any of the policies,
   B. "Additional Insured" on the Property, General Liability, Automobile Liability and Umbrella (Excess) Liability policies,
   C. "Waiver of Subrogation" clause in favor of the District must be attached to the Workers Compensation, General Liability, Automobile Liability, Umbrella Liability and the Property insurance policies.

Note: Copies of endorsements are required regardless of any certificate language effectively stating, “coverages apply as required by written contract”.

All insurance must be maintained for one year following substantial completion with Certificates of Insurance provided.

Contractor shall be responsible for payment of all deductibles; the District shall approve the deductibles selected.

If any policy has aggregate limits, a statement of claims against the aggregate limits is required.

The District reserves the right to review the insurance requirements during the effective period of any contract to make reasonable adjustments to insurance coverages and limits when deemed reasonably prudent by District based upon changes in statutory laws, court decisions or potential increase in exposure to loss.

District Name: _____ Department: _____

Attention: _____ Email: _____

Address: _____ City, TX Zip: _____

Texas Approved Companies List: http://www.tdi.texas.gov/webinfo/colists.html
AM Best Rating Guide: http://www3.ambest.com/ratings/RatingsSearch.asp
Approved Sureties: http://www.fiscal.treasury.gov/fsreports/ref/suretyBnd/c570_a-z.htm