

# Long Term and Business Agreements

The following is an example of the general considerations and minimum insurance requirements for long term and business agreements in which *Texas Tech University System and components (TTUS)* may enter.

These insurance requirements need to be inserted into the insurance section of the contract.

## Insurance and Related Requirements

### Minimum Insurance Coverage and Requirements

The *[Business partner]* shall obtain and maintain the minimum insurance coverage set forth below. By requiring such minimum insurance, *TTUS* shall not be deemed or construed to have assessed the risk that may be applicable to the *[Business partner]* under *[appropriate description of contract/agreement]*. The *[Business partner]* shall assess its own risks and, if it deems appropriate and/or prudent, maintain higher limits and/or broader coverage. The *[Business partner]* is not relieved of any liability or other obligations assumed or pursuant to the contract by reason of its failure to obtain or maintain insurance in sufficient amounts, duration, or types. All policies must be written on a primary basis, non-contributory with any other insurance coverage and/or self-funded plans which Texas Tech University maintains.

#### *Coverage*

1. **Commercial General Liability** – ISO form CG 00 01 or its equivalent. Coverage to include:
  - Premises and Operations
  - Personal Injury/Advertising Injury
  - Products/Completed Operations
  - Liability assumed under an Insured Contract (including tort liability of another assumed in a business contract)
  - Independent Contractors
2. **Automobile Liability** – Coverage to include:
  - Owned Vehicles
  - Leased Vehicles
  - Hired Vehicles
  - Non-Owned and Employee Non-Owned Vehicles
  - Personal Injury Protection (where applicable)
3. **Workers' Compensation and Employers' Liability** – Workers' Compensation (Coverage A) and Employers' Liability (Coverage B)
4. **Directors & Officers Liability (IF publicly held)**
5. **Cyber Insurance (If applicable)**
6. **Pollution Liability** – If *[Business partner's]* operations create a pollution exposure, this coverage is required, which can be accomplished by adding ISO endorsement CG 24 15 Limited Pollution Liability Extension or its equivalent to the CGL policy. If they transport hazardous materials, ISO endorsements CA 99 48 and MCS-90 must be added to the business automobile policy. A separate pollution legal liability policy is also acceptable.

#### *Limits Required*

The *[Business partner]* shall carry the limits of liability as described below:

**Commercial General Liability** (*limits may be met with addition of umbrella*)

General Aggregate	\$5,000,000
Products/Completed Operations Aggregate	\$5,000,000
Each Occurrence Limit	\$2,000,000
Personal/Advertising Injury	\$2,000,000
Damage to Rented Premises	\$50,000
Medical Payments (Any One Person)	\$5,000

**Automobile Liability**

Bodily Injury/Property Damage (Each Accident)	\$1,000,000
Personal Injury Protection, if applicable	Statutory

**Workers' Compensation**

Coverage A (Workers' Compensation)	Statutory
Coverage B (Employers' Liability)	\$1,000,000

**Directors & Officers**

Insured persons and organization	\$10,000,000
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**Cyber Insurance**

Policy Aggregate	\$10,000,000
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**Umbrella Liability**

Each Occurrence Limit	\$5,000,000
General Aggregate Limit	\$5,000,000
Products/Completed Operations Aggregate	\$5,000,000

**Additional Requirements**

**Commercial General Liability (CGL)**

[Business partner] shall name TTUS and its Board of Regents, officers, employees, agents, and volunteers as Additional Insureds appropriate for the exposure. ISO endorsement CG 20 01 04 13 – Primary and Noncontributory Other Insurance Condition or its equivalent must also be attached.

**All Policies**

- Must be written on a primary basis, non-contributory with any other insurance coverage and/or self-insurance carried by TTUS.
- Must include a Waiver of Subrogation Clause.

**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, or canceled except after thirty (30) days' prior written notice has been given to the TTUS, except when cancellation is for non-payment of premium; then ten (10) days' prior notice may be given. Such notice shall be sent directly to TTUS **Representative's Name and Address**. If any insurance company refuses to provide the required notice, the [Business partner] or its insurance broker shall notify TTUS of any cancellation, suspension, or non-renewal of any insurance within seven (7) days of receipt of insurers' notification to that effect.

**Certificate of Insurance:** An original (Acord 25) certificate of insurance shall be submitted by the insurer or agent to TTUS showing evidence of each of the required coverage types prior to approval of this contract. Insurers should have an A.M. Best rating of B+ VII or better.