

## INSURANCE REQUIREMENTS FOR NON-PROFITS AND FOR PROFITS

(a) Applicant shall procure and maintain for the duration of the <Assistance Agreement>[ Use <Budget> if planning/studies/feasibility projects with no collateral or if the collateral is liquid e.g. letter of credit or cash collateral] the following types of insurance, in amounts no less than the stated limits, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder; provided however, that if this project is financial assistance of less than \$100,000, a planning grant or a predevelopment loan, items 3, 4, 5 and 6 of this subsection shall not apply:

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- 1) Commercial General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall include Premises and Operation, Independent Contractors, Product and Completed Operations and Contractual Liability. If a general aggregate is used the general aggregate limit shall apply separately to this agreement or the general aggregate limit shall be twice the occurrence limit.
- 2) Workers' Compensation and Employer's Liability: Statutory coverage in compliance with compensation laws of The State of Connecticut. Coverage shall include Employer's Liability with a minimum limit of \$100,000 each accident, \$500,000 Disease – Policy limit, \$100,000 each employee.
- 3) Directors and Officers Liability: \$1,000,000 per occurrence limit of liability; provided however, that Directors and Officers Liability insurance shall not be required for limited liability corporations or limited partnerships.
- 4) Comprehensive Crime Insurance: \$100,000 limit for each of the following coverages: Employee Dishonesty (Form O), Forgery/Alteration (Form B), Theft, Disappearance and Destruction (Form C), Robbery/Safe burglary (Form D).
- 5) Builders Risk: (Construction Phase) With respect to any work involving the construction of real property during the construction project, if DECD is taking a collateral position in the property, the Applicant shall maintain Builder's Risk insurance providing coverage for the entire work at the project site. Coverage shall be on a Completed Value form basis in an amount equal to the projected value of the project. Applicant agrees to endorse the State of Connecticut as a Loss Payee.
- 6) Property Insurance: (Post Construction) If DECD is taking a collateral position in the property, the Applicant shall maintain insurance covering all risks of direct physical loss, damage or destruction to real and personal property and improvements and betterment's (including flood insurance if within a duly designated Flood Hazard Area as shown on maps prepared by the Department of Housing and Urban Development or its successor) at 100% of Replacement Value for such real and personal property, improvements and betterments. The State of Connecticut shall be listed as a loss payee.

(b) Additional Insurance Provisions

1. The State of Connecticut Department of Economic and Community Development, its officials and employees shall be named as an Additional Insured.
2. Described insurance shall be primary coverage and Applicant and Applicant's insurer shall have no right of subrogation recovery or subrogation against the State of Connecticut,
3. Applicant shall assume any and all deductibles in the described insurance policies.
4. Each insurance policy shall not be suspended, voided, cancelled or reduced except after 30 days prior written notice by certified mail has been given to the State of Connecticut.
5. Each policy shall be issued by an Insurance Company licensed to do business by Connecticut Department of Insurance and having a Best Rating of A-, VII, or equivalent or as otherwise approved by DECD.