



Insurance Requirements in Contracts

Manual Update and
Current Topics
January 23, 2025

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Our Goal

Provide you with information on the **changing landscape**
and discuss **advanced topics**.

Terms and
Conditions
may Apply



Caveat

Consult with Legal/Risk Management before changing contract language.

A laptop is shown from a slightly elevated angle, resting on a wooden surface. The screen is white and displays the word "Outline" in a large, dark blue, sans-serif font. Above the word is a short, horizontal green line. The background behind the laptop is a blurred office setting with windows and some office equipment.

Outline

- **I. IRIC Processes & Manual v.2025 Updates**
- **II. Notable Topics**



I. IRIC Processes and Manual v.2025 Updates

Insurance Requirements in Contracts (IRIC) Manual

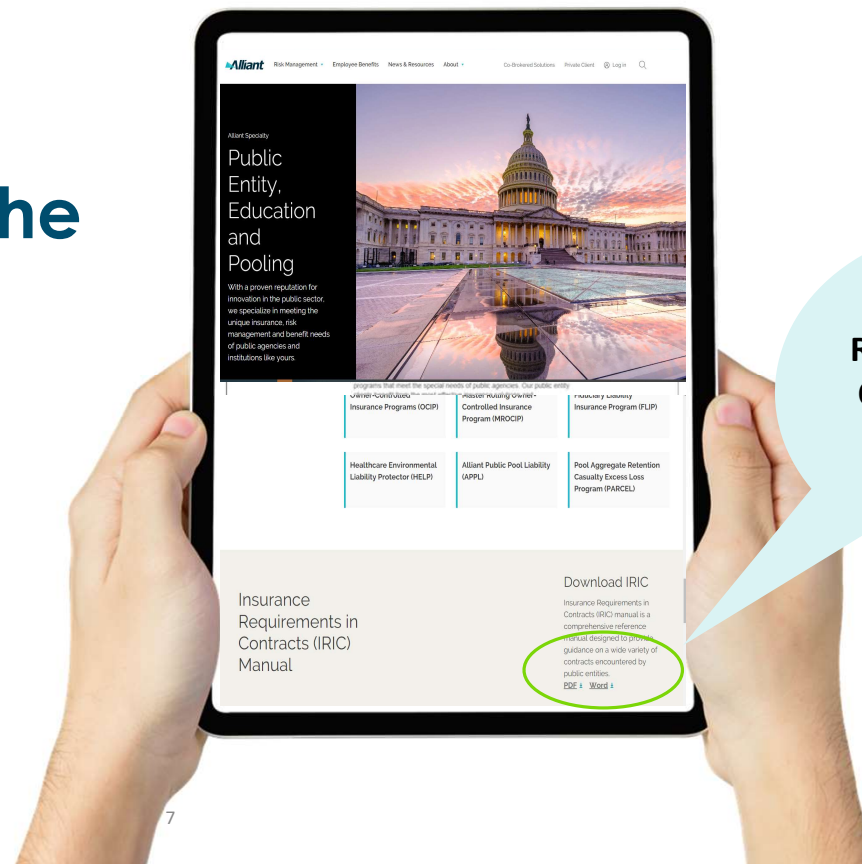
Efficient Processes Help Keep things on track

Have a process!

- Stick to it
- Document requirements in advance
- Use standard insurance industry language and forms
- Stay current on state of the industry language and forms
- Don't change your standard language without review
 - *Legal to review indemnities*
 - *Insurance advisor on IRIC*
- See Bob Marshburn's
 - www.AutomatedInsuranceVerification.com

How to Locate the IRIC Manual

[Alliant's Website](#)
or
Google it!



Navigating the IRIC Manual



Alliant
INTEGRATED INSURANCE & FINANCIAL SERVICES

FORWARD

As a guide in developing proper insurance requirements in order to establish insurance requirements for most contracts, professional service providers, tenants, vendors, and users of compliance with those requirements during the term of the management is more of an art than a science, and therefore, not always. If the user encounters situations that fall outside user should contact its insurance and legal advisors.

These revisions to eliminate older insurance forms and to provide for those without an insurance background to access and includes a "basic" section that describes each element of this a single set of specifications that can be used for most or an insurance agent or broker have also been included to insure to request and receive the required coverage.

In the elimination of most of the customized forms for public use of earlier editions was to request that insurers execute provided by the public entry. The obvious benefit of this was that it is receiving the coverage it is looking for if the user, because many insurance forms require prior approval need to use custom entry-designed endorsements, and it is also, most of the terms of the insurance requirements have insurance forms, knowing the need to spell out specific be emerging cyber and aviation risks has led the editors to the specifications that spell out the form numbers and key insurers use custom policy documents, and we suggest that amounts to the specifications to verify that you are receiving Insurance Service Office (ISO) industry forms for reference. These new editions may broaden coverage, from the previous edition. An attempt is made in each include any updated forms, as well as comments on the recommendations on which forms to use. Though a new edition continue to use older editions of these forms. It is, therefore, the date of the form supplied by contractors, tenants, vendors, and agents and brokers. The edition date can usually be found in, following the form number.

Recent updates to the ISO Commercial General Liability form contract forms, released December 2019. The impacts of some are ranging. While every attempt is made to present these help encourage you to review with your Legal and Risk

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ch set of specifications to use or if special

SPECIFICATIONS AND LIMITS

Table 1, with a maximum limit of \$2 million. If \$1 limit is used, requires at least a \$2 million aggregate. Remember to base the required limits on the rate of damage that may occur, not on the contract or.

Table 2, Construction projects will usually require rate of construction (builder's risk) property insurance. Use construction projects, especially those which use many subcontractors, may call for special special requirements. See Chapter Three for a more after discussion.

Table 3, Your Entry should require proof of licensed liability insurance.

Table 4, However, coverage specifications and its should be developed to fit the circumstances of situation. Generally, limits should be no less than \$2 limit. Special insurance is available for hazardous sites, including nuclear risks, asbestos removal/containment or waste handling.

Table 5 for custom exposures and **Table 11** for line exposures.

Table 6 can be used if no auto are used or normally parked on the premises. If auto are used parked **Table 7** should be used. If the tenant's sites include other parking, with or without a fee, or using of automobiles, **Table 8** may need to be followed by additional coverage called upkeeper's legal liability. The required limit for this coverage should be equal to the value of the maximum they of automobiles that may be in the tenant's help.

Table 9 may be used.

Table 11 may be used.

Table 12, A special event policy is available to public use. Contact your risk management department for help.

Table 13 may be used.

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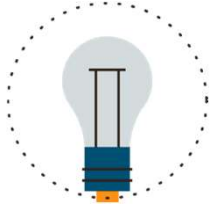


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IRIC VERSION 2021.1

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Insurance Requirements in Contracts

ii

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Nine Chapters & Fourteen Exhibits



Insurance Specs For:

1. Most Contracts – Exhibit 1
2. Professional Services
3. Lessees
4. Suppliers and/or Vendors
5. Construction Contracts
6. Environmental Contractors & Consultants
7. Information Technology - Cyber
8. Airports
9. Unmanned Aerial Vehicles (aka Drones)
10. Chartering Aircraft
11. Marine Related Risks
12. Short-term Rentals of Facilities
13. Instructors
14. Schools including Bus & Transportation Costs

Glossary of Terms & Appendices



Foreword

Emerging Trends

Frequently Asked Questions (FAQs)

Introduction – Why Bother?

Contractual Risk Transfer – The Basics

Appendix A

Risk Assessment

Appendix B

Common Insurance Industry Forms

Appendix C

Sample Hold Harmless Agreements

Appendix D

Sample Checklists

Appendix E

Resources

Annotated Sample Certificate in the IRIC Manual Appendix B

Couldn't resist – favorite IRIC 101 Training exhibit!

2 This notice confirms the provisions of the California Insurance Code, §384. Other states have similar provisions. It states that the policy, not the certificate governs coverage.

CERTIFICATE OF LIABILITY INSURANCE DATE (MMDDYYYY)

THIS IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS IS NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED OR PRODUCER, AND THE CERTIFICATE HOLDER.

If certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. IF SUBROGATION IS WAIVED, subject to the terms of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the issue of such endorsement(s).

PRODUCER
 This block identifies the Agent or Broker. **1**

INSURED
 The insured is your entity's contractor or lessee. **4**

CONTRACT
 NAME: _____ FAX: _____
 PHONE (A/C No., Ext): _____
 E-MAIL: _____
 ADDRESS: _____
 INSURER(S) AFFORDING COVERAGE: _____ NAIC # _____
 INSURER A: **3**
 INSURER B: _____
 INSURER C: _____
 INSURER D: _____
 INSURER E: _____
 INSURER F: _____

The insurer will be identified here. The insurer letter appears again near the left margin at "3" to show which insurer provides which coverage.

COVERAGES **CERTIFICATE NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

TYPE OF INSURANCE	ADOL SUBP INSR. WORD.	NUMBER	POLICY EFF. (MMDDYYYY)	POLICY EXP. (MMDDYYYY)	LIMITS
GENERAL LIABILITY		5			
COMMERCIAL GENERAL LIABILITY					UNICC \$ _____ NTRFD \$ _____ (Per person) \$ _____ (Per person) \$ _____
CLAIMS-MADE OCCUR					PERSONAL & ADV INJURY \$ _____ GENERAL AGGREGATE \$ _____ PRODUCTS-COMP/OP AGG \$ _____ (Per accident) \$ _____ (Per person) \$ _____ (Per accident) \$ _____ (Per person) \$ _____
AUTOMOBILE LIABILITY					
ANY AUTO					PERSONAL & ADV INJURY \$ _____ GENERAL AGGREGATE \$ _____ PRODUCTS-COMP/OP AGG \$ _____ (Per accident) \$ _____ (Per person) \$ _____ (Per accident) \$ _____ (Per person) \$ _____
ALL OWNED AUTOS					
SCHEDULED AUTOS					
NON-OWNED AUTOS					
HIREN AUTOS					
UMBRELLA LIAB					
EXCESS LIAB					
EXCESS INTENTIONS					
WORKERS COMPENSATION AND EMPLOYERS' LIABILITY					
ANY OTHER EXCLUSIONS/RESERVE EXCLUDED? (Mandatory in IR)					
Y/N					
N/A					
If yes, check the order DESCRIPTION OF OPERATIONS below					

3 This notice again states that the policy supersedes the certificate form.

6 These sections show the type of coverage provided through the agent or broker identified in "1" above. If the insured uses more than one broker, this certificate will not identify all existing.

7 These two columns show inception and expiration dates for policies identified. Pay special attention that coverage does not expire before or during your project or lease.

8 This column identifies limits per occurrence and aggregate for each type of coverage afforded. Pay special attention to low aggregate limits for public works-type contractors. Losses on other jobs may reduce your coverage.

9 This section will usually be used to restrict coverage to a specific job or lease. Watch for restrictions that would omit the coverage required by your specifications.

11 Cancellation provisions

CERTIFICATE HOLDER
 Certificate holder is your entity. **10**

CANCELLATION
 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE **12**
 The authorized representative of the insurer should be an employee, unless the agent or broker is specifically authorized to sign on behalf of the company.

ACORD 25 (2010/05) **12** SUBROGATION. All rights reserved.

v.2025 Update

What's Changed?



- › Updated Cyber Exhibit
- › Student Placement Agreements
- › Multiple Coverage Contract Endorsements
- › Parks & Rec Risks



II. Notable Topics

Recent Situations Presented

Cyber Risks

Other Topics



- Update includes more emphasis on Technology E&O coverage
 - For certain vendors, both cyber liability coverage and technology errors & omissions coverage should be requested.
 - These would be for technology related vendors
 - Additional information included on the differences between these coverages
 - Pixel Tracking Exclusions also added to emerging risks

Student Placement Agreements

Other Topics



Student Placement Agreements

- Some student programs require real world experience for graduation
- Host organization in best position to supply insurance, but often requests that school provides
- Can lead to tricky situations involving insurance placements and indemnification for loss arising out of the actions of students
- WC also a consideration

Multiple Coverage Contract Endorsements

Other Topics



Multiple Coverage Contract Endorsements

- Activate coverage previously provided by individual endorsements into a single omnibus endorsement
- Coverages are effective only if they are specifically required in a written contract or agreement between parties
- These endts should be inspected to see if they are “at least as broad as” the corresponding coverage provided by the standard ISO endts
 - These are customized by the insurance company and are therefore non-standard endts

Parks & Rec

Other Topics



Parks & Rec Risks

- Public Entities that provide day care, after school programs, coaches for recreational activities should be carrying SAM.
- We typically associate these risks with schools, but this chapter has been updated to note that these are also common Parks & Rec exposures and therefore applicable to other Public Entities such as cities.

Questions?

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Way to Manage Risk*

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