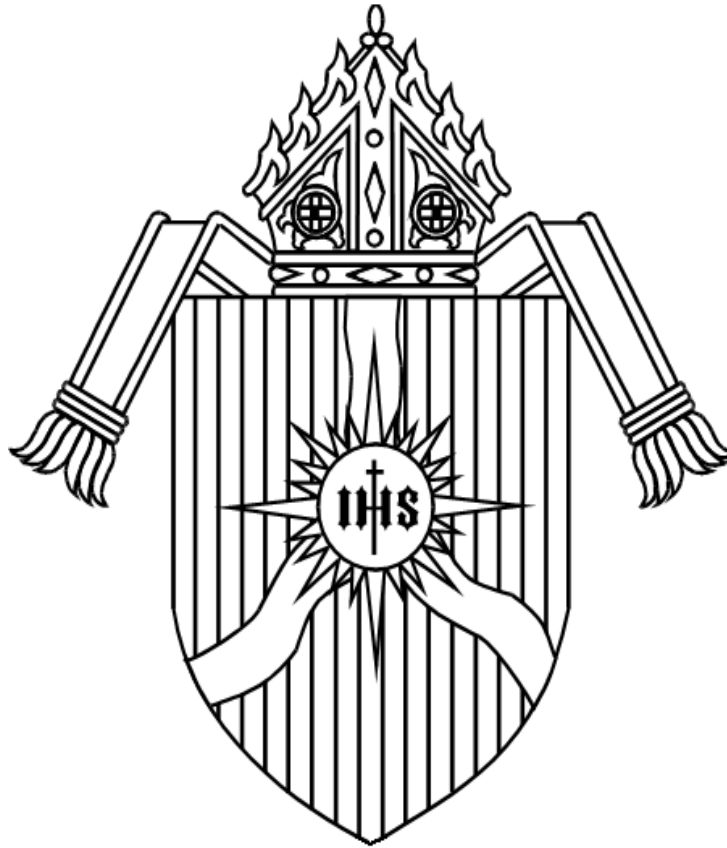


Vendor Insurance Requirements in the Diocese of Shreveport



Prepared by the Diocesan Office of Business Affairs
Rev. May 2012

Obtaining a Copy of Vendor's Certificate(s) of Insurance

Lack of properly stated insurance certificates has the potential to stall several projects, repairs and events. To ensure that the certificates are properly worded, it is strongly encouraged that the parish or school allow the Diocesan Business Office to assist in reviewing the insurance certificates for accuracy as they are obtained.

Insurance Requirements which must be evidenced by certificate are:

- a) General Liability: \$1 million coverage per incident, \$3 million aggregate
- b) Auto Liability: \$1 million
- c) Workers Compensation insurance as required by law

In addition to evidencing the proper insurance, we require that the General Liability and Auto Liability certificates include an **additional insured** endorsement in favor of the parish, the Diocese of Shreveport, and our bishop. The reason for requiring these additional insured listings is that it protects the individual interests of the parish, the diocese and the bishop, as they are each named individually in lawsuits.

Some vendors' operations are substantial enough to have all three coverages (General Liability, Auto and Workers Compensation) through one insurance broker or company. In this instance, all coverages will be evidenced on the same certificate, but the additionally insured language on the certificate will reference coverage under the General Liability policy only. This is perfectly adequate.

In the event that the vendor does not have all insurance through one broker, we will need separate certificates of insurance from each applicable broker/agent referencing the three coverages we require.

IMPORTANT: Language referencing contracts

Some insurance companies will require that a contract be in place in order to extend insurance coverage to the parish, diocese and bishop as requested. This language is usually presented on the certificate in wording similar to what follows:

“Additional insured status is afforded when required by written contract.”

Or:

“Certificate holder is listed as additionally insured with respects to general liability as required by written contract.”

The wording may vary slightly from company to company, but the most important words to note are “written contract.” The simplest solution in this instance would be to ask the insurance company to remove any reference to a written contract and still leave the additional insured endorsement. However, in consideration of their client, some underwriters are hesitant to remove the contract requirement. If the insurance company

will not remove the contract reference from the insurance certificate, then the parish must engage fully in an approved written contract with the vendor/contractor. *Again, please remember that a signed bid is not a contract.* Bids do not typically state that the contractor will provide all insurance coverage necessary and list the customer as additionally insured, so if the insurance certificate states, "as required by written contract," then the corresponding contract MUST REQUIRE the insurance. Otherwise, the additional insured endorsement is nullified, and the church is exposed to potential liability.

In a situation where the insurance certificate states requirement of a contract, the business office offers an approved sample contract for parish use. Contractors and vendors who do not typically use written contracts may utilize this sample contract in working with our parishes. Edits may be made to the applicable parts of the contract which will pertain to the contracting company and the job to be performed. Edits may not be made to the Indemnity and Insurance portions of the contract, other than to reference the particular church parish or high school.

However, if the vendor provides his own contract form, it must reflect the same requirements for insurance as stated in the sample vendor agreement included with this packet. If the contract is significantly different from our sample, additional time will be needed for the contract to be reviewed by our diocesan attorneys.

A sample insurance certificate is included for your reference. The Diocesan Business Office is available to assist you in obtaining correct certificates, and will be more than happy to speak with the vendors and/or insurance companies on the church's/school's behalf at any time.



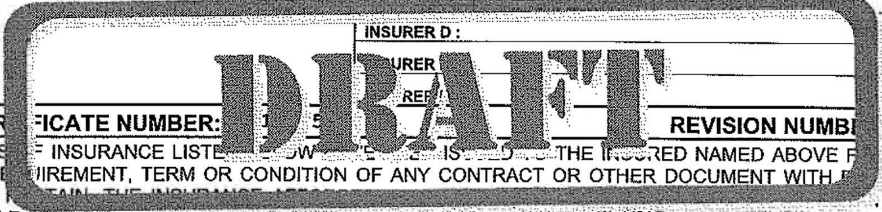
CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
07/05/2011

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

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

PRODUCER ABC Insurance Company 123 Main Street Anytown, USA 98765	CONTACT NAME: PHONE (A/C No., Ext): 123-456-7890	FAX (A/C No.):	
	E-MAIL ADDRESS:		
INSURED We Paint And Repair, Inc. 789 First Street Any Other Town, USA 12345	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: Pristine Insurance Company		123456
	INSURER B: Accidents R Us		234567
	INSURER D:		



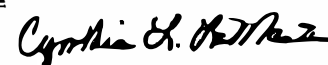
COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW ARE IN FULL FORCE AND EFFECT 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 BE OBTAINED, THIS CERTIFICATE DOES NOT ALTER, CHANGE, WAIVE, SUPPLEMENT, OR EXCLUDE THE COVERAGE, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY	X		A123456Z	07/01/11	07/01/12	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COM/OP AGG \$
B	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						
A	AUTOMOBILE LIABILITY	X		B3456789	07/01/11	07/01/12	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
B	<input checked="" type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS						
A	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 1,000,000				07/01/11	07/01/12	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			W9876543	07/01/11	07/01/12	<input checked="" type="checkbox"/> WC STATU- <input type="checkbox"/> OTH-
B	<input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Certificate Holder is endorsed on the General Liability and Auto Liability policies only as regards insured's work on the holder's property.

CERTIFICATE HOLDER Our Roman Catholic Church Our Address Diocese of Shreveport 3500 Fairfield Avenue, Shreveport, LA 71104 and Most Rev. Francis I Malone USA	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 
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SAMPLE VENDOR AGREEMENT

_____ (hereinafter referred to as "Company") is a locally owned, professional _____ company. Our credentials include business license and certificate of liability insurance. The objective of our company will be to _____, according to this contract with _____ (hereinafter referred to as "Customer.")

The following defines the scope of our proposed program:

1. All work will be performed under the supervision of qualified personnel.
2. Our technicians are trained professionals, and as such, will conduct themselves in a workmanlike and efficient manner at all times.
3. We will furnish all labor, tools, specialized equipment, material, supervision, transportation and certificates of insurance to perform the maintenance services listed below.
4. This contract is for a period of 12 months, beginning _____ and ending _____.
5. Protection and precautions to persons and property shall be exercised at all times. Work will be scheduled, whenever possible, to give the least possible interference to occupants and visitors. Any and all damages will be reported promptly to your firm, and will be repaired within 48 hours or as soon as possible.

PAYMENT AND INVOICING TERMS

Payment for Services: The Company will be paid as follows:
Monthly Invoicing

Reimbursable Costs:

Customer shall reimburse the Company all costs incurred in connection with the services rendered. Reimbursable costs include, but are not limited to, subcontractors, materials, delivery, etc. that are attributable to a project or Service (the "Reimbursable Costs.") The Company shall provide to Customer substantiation of Reimbursable Costs incurred.

Invoicing:

Invoices will be submitted monthly by the Company for payment by Customer. Payment is due upon receipt and is past due twenty (20) business days from receipt of invoice. If Customer has any valid reason for disputing any portion of an invoice, Customer will so notify the Company within twenty (20) calendar days of receipt of invoice by Customer, and if no such notification is given, the invoice will be deemed valid. The portion of the Company's invoice which is not in dispute shall be paid in accordance with the procedures set forth herein.

A finance charge of 1.5% per month on the unpaid amount of an invoice, or the maximum amount allowed by law, will be charged on past due accounts. Payments by Customer will thereafter be applied first to accrued interest and then to the principal unpaid balance. Any attorney fees, court costs, or other costs incurred in collection of delinquent accounts shall be paid by Customer. If

payment of Invoices is not current, the Company may suspend performing further work.

CHANGES

Customer may, with the approval of the Company, issue written directions within the general scope of any Services to be ordered. Such changes (the "Change Order") may be for additional work or the Company may be directed to change the direction of the work covered by the Task Order, but no change will be allowed unless agreed to by the Company in writing.

STANDARD OF CARE

The Company warrants that its services shall be performed by personnel possessing competency consistent with applicable industry standards. No other representation, express or implied, and no warranty or guarantee are included or intended in this Agreement or in any report, opinion, deliverable, work product, document or otherwise. Furthermore, no guarantee is made as to the efficacy or value of any services performed. THIS SECTION SETS FORTH THE ONLY WARRANTIES PROVIDED BY THE COMPANY CONCERNING THE SERVICES AND RELATED WORK PRODUCT. THIS WARRANTY IS MADE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, NON-INFRINGEMENT, TITLE OR OTHERWISE.

INSURANCE

The Company shall maintain, during the Term of this Agreement, comprehensive general liability insurance in the amount of one million dollars (\$1,000,000) per occurrence, which covers liability for bodily injury, property damage or death arising out of the party's activities in connection with the rendering of agreed services. The Company agrees to name Diocese of Shreveport, 3500 Fairfield Avenue, Shreveport, LA 71104; Most Reverend Francis I. Malone at 1000 Fairview, Shreveport, LA 71104; and _____ (church parish and address), as additional insured on its comprehensive general liability policy, solely with respect to the rendering of agreed services, and shall provide Customer with a certificate of insurance evidencing this coverage not later than thirty (30) days prior to commencement of agreed services being performed.

INDEMNITY

Each party agrees to indemnify and hold harmless from and against any and all costs, losses or expenses, including reasonable attorneys' fees, that either party may incur by reason of any third-party claim(s) or law suit(s) arising out of, or in connection with, the indemnifying party's negligence, gross negligence, intentional misconduct, or performance or failure to perform pursuant to this Agreement.

MISCELLANEOUS

Insecurity and Adequate Assurances:

If reasonable grounds for insecurity arise with respect to Customer's ability to pay for the Services in a timely fashion, the Company may demand in writing adequate assurances of Customer's ability to meet its payment obligations under this Agreement. Unless Customer provides the assurances in a reasonable time and manner acceptable to the Company, in addition to any other rights and remedies available, Company may partially or totally suspend its performance while awaiting

assurances, without liability to Customer.

Independent Contractor:

The Company is an independent contractor of Customer.

Assignment:

The Agreement is not assignable or transferrable by Customer. This Agreement is not assignable or transferrable by the Company without the written consent of the Customer, which consent shall not be unreasonably withheld or delayed.

Disputes:

The Company and Customer recognize that disputes arising under this Agreement are best resolved at the working level by the parties directly involved. Both parties are encouraged to be imaginative in designing mechanism and procedures to resolve disputes at this level. Such efforts shall include the referral of any remaining issues in dispute to higher authority within each participating party's organization for resolution. Failing resolution of conflicts at the organizational level, the Company and Customer agree that any remaining conflicts arising out of or relating to this contract shall be submitted to nonbinding mediation unless the Company and Customer mutually agree otherwise. If the dispute is not resolved through non-binding mediation, then the parties may take other appropriate action subject to the other terms of this Agreement.

Representations:

Each person executing this Agreement on behalf of a party hereto represents and warrants that such person is duly and validly authorized to do so on behalf of such party, with full right and authority to execute this Agreement and to bind such party with respect to all of its obligations hereunder. This Agreement may be executed (by original or telecopied signature) in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute but one and the same instrument.

Agreed this _____ day of _____, _____.

Pastor

Company Representative