INSURANCE REQUIREMENTS

1. Insurance: The Charter School, at its own expense, shall procure and maintain insurance covering all operations under the Agreement, whether performed by Charter School or by subcontractors. All insurers shall be licensed by the State of Illinois and rated A-VII or better by A.M. Best or a comparable rating service. Charter School shall submit to the Board satisfactory evidence of insurance coverage prior to commencement of work under the Agreement and upon request, shall promptly provide a certified copy of any applicable policy of insurance. Minimum insurance requirements are:

a. Workers' Compensation and Employers' Liability Insurance: Workers' Compensation Insurance affording workers' compensation benefits for all employees as required by law and Employers' Liability Insurance covering all employees who are to provide Services under the Contract with limits of not less than Five Hundred Thousand and 00/100 Dollars ($500,000.00) per occurrence.

b. Commercial General Liability Insurance: Commercial General Liability Insurance or equivalent with limits of not less than One Million and 00/100 Dollars ($1,000,000.00) per occurrence, and Two Million and 00/100 Dollars ($2,000,000.00) in the aggregate, combined single limit for bodily injury, personal injury and property damage liability coverage shall include the following: all premises and operations, products/completed operations (for a minimum of two (2) years following completion), independent contractors, separation of insureds, defense and contractual liability. Policy shall not exclude sexual abuse/molestation coverage. The Board shall be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from Services.

c. Automobile Liability Insurance: Automobile Liability Insurance is required when any motor vehicle (whether owned, non-owned or hired) is used in connection with Services to be performed, with limits of not less than One Million and 00/100 Dollars ($1,000,000.00) per occurrence for bodily injury and property damage.

d. School Board Legal/Professional: School Board Legal/Professional liability insurance covering Charter School and its directors and officers from liability claims arising from wrongful acts, errors or omissions in regards to the conduct of their duties related to operation and management of the school with limits of not less than Two Million
and 00/100 Dollars ($2,000,000.00) per claim. Coverage shall include Employment Practices Liability and Sexual Harassment.

e. **Umbrella/Excess Liability Insurance**: Umbrella or Excess Liability Insurance with limits of not less than Two Million and 00/100 Dollars ($2,000,000.00) to provide additional limits for underlying general and automobile liability coverages.

f. **Property Insurance**: Property insurance for full Replacement Cost of property, including Board property for which the Charter School is contractually responsible, by lease or other agreement, from physical loss or damage. Such insurance shall cover boiler and machinery exposures and business interruption/extra expense losses.

g. **Fidelity Bond**: Fidelity bond coverage in the amount of at least Two Hundred Thousand and 00/100 Dollars ($200,000.00) with a responsible surety company with respect to all of Charter School’s employees as may be necessary to protect against losses including, without limitation, those arising from theft, embezzlement, fraud, or misplacement of funds, money, or documents.

h. **Construction**: The Charter School shall indemnify, defend and agree to save and hold Board harmless from and against all liability, injury, loss, claims, cost, damage and expense with respect to any injury to, or death of, any person, or damage to or loss or destruction of, any property occasioned by or growing out of any construction work on Board property. Charter School shall not commence any such work until Board has been provided with insurance certificates evidencing that the contractors and subcontractors performing such work have in full force and effect adequate insurance as required by the Board’s construction program at the time of the work. Required coverage may include, but is not limited to: workers’ compensation, general liability, professional liability, automobile liability, environmental liability, excess liability, property and builders’ risk insurance. Charter Schools’ contractors are subject to the same requirements as Charter School in regards to additional insured, rating, notice, etc.

2. **Additional Insured.** The Charter School shall have its general liability insurance and automobile liability insurance policies endorsed to provide that the Board of Education of the City of Chicago, a body politic and corporate, and its members, employees, officers, officials and agents, and any other entity as may be designated by the Board are named as additional insured on a primary basis without recourse or right of contribution from the Board.
3. **Insurance Certificate.** The insurance company, or its representative, shall submit an insurance certificate to the Board evidencing all coverage as required hereunder and indicating the Additional Insured status as required above. The Board will not pay the Charter School for any work if satisfactory proof of insurance is not provided prior to the commencement of services. The Certificate must provide sixty (60) days prior written notice of material change, cancellation, or non-renewal be given to:

   Board of Education of the City of Chicago  
   Office of New Schools  
   125 S. Clark Street, 5th Floor  
   Chicago, Illinois 60603  
   ATTN: Executive Director

4. **General.** Any failure of the Board to demand or receive proof of insurance coverage shall not constitute a waiver of Charter School’s obligation to obtain the required insurance. The receipt of any certificate does not constitute an agreement by the Board that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements in the Agreement.

   Charter School’s failure to carry or document required insurance shall constitute a breach of the Charter School’s agreement with the Board. Non-fulfillment of the insurance conditions may constitute a violation of the Agreement, and the Board retains the right to stop work until proper evidence of insurance is provided, or the Agreement may be terminated. The Board will not pay the Charter School for any work if satisfactory proof of insurance is not provided before the commencement of services.

   Any deductibles or self-insured retentions on referenced insurance coverage must be borne by Charter School. Any insurance or self-insurance programs maintained by the Board do not contribute with insurance provided by the Charter School under the Agreement.

   All subcontractors are subject to the same insurance requirements of Charter School unless otherwise specified in this Agreement. The Charter School shall require any and all subcontractors under this Agreement to carry the insurance as required herein and to comply with the foregoing requirements; otherwise, Charter School shall provide coverage for subcontractors. The Charter School will maintain a file of subcontractor’s insurance certificates evidencing compliance with these requirements.
The coverages and limits furnished by Charter School in no way limit the Charter School's liabilities and responsibilities specified within the Agreement or by law. The required insurance is not limited by any limitations expressed in the indemnification language in this Agreement, if any, or any limitation placed on any indemnity in this Agreement that might be given as a matter of law.

The Charter School agrees that insurers waive their rights of subrogation against the Board.

Upon Board request, the Charter School and/or its subcontractors shall promptly provide a certified copy of any applicable policy of insurance. The Board reserves the right to modify, delete, alter or change insurance requirements at any time.