

## **Exhibit C**

# **INSURANCE, HOLD HARMLESS AND INDEMNIFICATION REQUIREMENTS FOR NONPROFIT AGENCY**

## **INTRODUCTION**

Washoe County has established specific insurance and indemnification requirements for nonprofit organizations contracting with the County to provide services, use County facilities and property, or receive funding. Indemnification and hold harmless clauses and insurance requirements are intended to assure that a nonprofit organization accepts and is able to pay for a loss or liability related to its activities.

ATTENTION IS DIRECTED TO THE INSURANCE REQUIREMENTS BELOW. IT IS HIGHLY RECOMMENDED THAT ORGANIZATIONS CONFER WITH THEIR RESPECTIVE INSURANCE CARRIERS OR BROKERS TO DETERMINE THE AVAILABILITY OF INSURANCE CERTIFICATES AND ENDORSEMENTS AS PRESCRIBED AND PROVIDED HEREIN. IF THERE ARE ANY QUESTIONS REGARDING THESE INSURANCE REQUIREMENTS, IT IS RECOMMENDED THAT THE AGENT/BROKER CONTACT THE COUNTY'S RISK MANAGEMENT DEPARTMENT DIRECTLY AT (775) 328-2665.

## **INDEMNIFICATION AGREEMENT**

ORGANIZATION agrees to hold harmless, indemnify, and defend COUNTY, its officers, agents, employees, and volunteers from any loss or liability, financial or otherwise resulting from any claim, demand, suit, action, or cause of action based on bodily injury including death or property damage, including damage to ORGANIZATION'S property, caused by the omission, failure to act, or negligence on the part of ORGANIZATION, its employees, agents, representatives, or Subcontractors arising out of the performance of work under this Agreement by ORGANIZATION, or by others under the direction or supervision of ORGANIZATION.

In the event of a lawsuit against the COUNTY arising out of the activities of ORGANIZATION, should ORGANIZATION be unable to defend COUNTY due to the nature of the allegations involved, ORGANIZATION shall reimburse COUNTY, its officers, agents, and employees for cost of COUNTY personnel in defending such actions at its conclusion should it be determined that the basis for the action was in fact the negligent acts, errors or omissions of ORGANIZATION.

## **GENERAL REQUIREMENTS**

ORGANIZATION shall purchase and maintain insurance coverage as described below throughout the term of this agreement. The cost of such insurance shall be borne by ORGANIZATION.

Prior to taking occupancy, ORGANIZATION shall furnish COUNTY with a certificate(s) of insurance and any applicable policy forms or endorsements confirming the coverage required, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth above.

Failure of COUNTY to demand such certificate or other evidence of full compliance with these insurance requirements or failure of COUNTY to identify a deficiency from evidence that is provided shall not be construed as a waiver of ORGANIZATION's obligation to maintain such insurance.

Failure to maintain the required insurance may result in termination of this Lease at COUNTY's option. If ORGANIZATION fails to maintain the insurance as set forth herein, COUNTY shall have the right, but not the obligation, to purchase said insurance at ORGANIZATION's expense.

ORGANIZATION shall provide certified copies of all insurance policies required above within 10 days of COUNTY's written request for said copies.

By requiring insurance herein, the COUNTY does not represent that coverage and limits will necessarily be adequate to protect ORGANIZATION and such coverage and limits shall not be deemed as a limitation on ORGANIZATION's liability under the indemnities granted to COUNTY in this contract.

If ORGANIZATION'S liability policies do not contain the standard ISO separation of insureds provision, or a substantially similar clause, they shall be endorsed to provide cross-liability coverage.

### **BUILDERS RISK/COURSE OF CONSTRUCTION**

ORGANIZATION or its subcontractor shall purchase and maintain in force builders risk insurance on the entire work during construction of any buildings, structures or other property on the leased premises.

Such insurance shall be written on a completed value form and in an amount equal to the initial contract sum plus 10%, subject to subsequent modifications of the contract sum. The insurance shall apply on a replacement cost basis.

The insurance as required in this section shall name as insureds the ORGANIZATION, COUNTY and all subcontractors and sub-subcontractors in the work.

The insurance policy shall contain a provision that the insurance will not be canceled or allowed to expire until at least 30 days' prior written notice has been given to ORGANIZATION and COUNTY.

The insurance as required in this section shall cover the entire work at the site, including reasonable compensation for architects' services and expenses made necessary by an insured loss. Insured property shall include portions of the work located away from the site but intended for use at the site, and shall also cover portions of the work in transit. The policy shall cover the cost of removing debris, including demolition as may be made legally necessary by the operation of any law, ordinance, or regulation.

ORGANIZATION or its subcontractor shall purchase and maintain equipment breakdown/boiler and machinery insurance required by the contract documents or by law, covering insured objects during installation and until final acceptance by COUNTY. This insurance shall name as insureds COUNTY, ORGANIZATION, and all subcontractors and sub-subcontractors in the work.

The insurance as required in this section shall, at a minimum, cover the causes of loss insured under the ISO special causes of loss form (CP 10 30) and shall be endorsed as needed to provide full coverage for loss or damage from collapse, including collapse resulting from design error.

Flood coverage shall be maintained with a limit equal to the full replacement cost of the building(s), fixtures, equipment, improvements and betterments shall be provided.

Earthquake coverage shall be maintained with a limit equal to the full replacement cost of the building(s), fixtures, equipment, improvements and betterments shall be provided.

Any deductible applicable to the insurance purchased in compliance with this section shall be identified in the contract documents and responsibility for paying the part of any loss not covered because of the operation of such deductibles shall be the responsibility of the ORGANIZATION or its subcontractor.

Before the commencement of work, ORGANIZATION shall provide to COUNTY a copy of the insurance policy obtained in compliance with this section.

If COUNTY is damaged by the failure of ORGANIZATION or its subcontractor to maintain insurance as required in this section, then ORGANIZATION shall bear all reasonable costs properly attributable to that failure.

COUNTY and ORGANIZATION waive all rights against each other and each of their subcontractors, sub-subcontractors, officers, directors, agents, and employees, for recovery for damages caused by fire and other perils to the extent covered by builders risk insurance purchased pursuant to the requirements of subparagraph 1.8, or any other property insurance applicable to the work.

If the builders risk insurance and other property insurance policies purchased as required above do not allow the insured to waive rights of recovery against others prior to loss, ORGANIZATION shall cause them to be endorsed with a waiver of subrogation as required above.

Partial occupancy or use of the work shall not commence until the insurance company or companies providing insurance as required in this section have consented to such partial occupancy or use. ORGANIZATION shall take reasonable steps to obtain consent of the insurance company or companies, and agree to take no action, other than upon mutual written consent, with respect to occupancy or use of the work that could lead to cancellation, lapse, or reduction of insurance.

## **COMMERCIAL PROPERTY INSURANCE**

ORGANIZATION shall maintain commercial property insurance covering any improvements in which the ORGANIZATION has an insurable interest, including but not necessarily limited to building(s), fixtures, equipment, improvements and betterments.

Commercial property insurance shall, at minimum, cover the perils insured under the ISO special causes of loss form (CP 10 30).

Commercial property insurance shall cover the replacement cost of the property insured.

COUNTY shall be included as an insured under the commercial property insurance.

Any coinsurance requirement in the policy shall be eliminated through the attachment of an agreed amount endorsement, the activation of an agreed value option, or as is otherwise appropriate under the particular policy form.

ORGANIZATION shall purchase insurance to cover its personal property. In no event shall county be liable for any damage to or loss of personal property sustained by ORGANIZATION, whether or not it is insured, even if such loss is caused by the negligence of COUNTY, its employees, officers, directors, or agents.

Flood coverage shall be maintained with a limit equal to the full replacement cost of the building(s), fixtures, equipment, improvements and betterments shall be provided.

Earthquake coverage shall be maintained with a limit equal to the full replacement cost of the building(s), fixtures, equipment, improvements and betterments shall be provided.

Boiler and machinery (also known as equipment breakdown) insurance shall be maintained covering the building, fixtures, equipment, improvements and betterments, and ORGANIZATION'S personal property for loss or damage caused by the explosion of steam boilers or similar equipment.

Any deductibles applicable to the commercial property or boiler and machinery insurance purchased in compliance with this section shall be approved by COUNTY.

## **WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY**

It is understood and agreed that there shall be no Workers' Compensation or Employer's Liability coverage provided for ORGANIZATION or any Sub-consultant by COUNTY. ORGANIZATION agrees, as a precondition to the performance of any work under this Agreement and as a precondition to any obligation of the COUNTY to make any payment under this Agreement to provide COUNTY with a certificate issued by an insurer in accordance with NRS 616B.627 and with a certificate of an insurer showing coverage pursuant to NRS 617.210 for ORGANIZATION and any sub-consultants used pursuant to this Agreement.

The employer's liability limits shall not be less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

Should ORGANIZATION be self-funded for Industrial Insurance, ORGANIZATION shall so notify COUNTY in writing prior to the signing of this Agreement. COUNTY reserves the right to approve said retentions and may request additional documentation financial or otherwise for review prior to the signing of this Agreement.

It is further understood and agreed by and between COUNTY and ORGANIZATION that ORGANIZATION shall procure, pay for, and maintain the above-mentioned industrial insurance coverage at ORGANIZATION'S sole cost and expense.

ORGANIZATION waives all rights against COUNTY and its agents, officers, directors, and employees for recovery of damages to the extent these damages are covered by the workers compensation and employer's liability or commercial umbrella liability insurance obtained by ORGANIZATION pursuant to this agreement. ORGANIZATION shall obtain an endorsement equivalent to WC 00 03 13 to affect this waiver.

## **COMMERCIAL GENERAL LIABILITY**

ORGANIZATION shall maintain commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000 each occurrence. If such CGL insurance contains a general aggregate limit, it shall be increased to at least twice the required occurrence limit.

CGL insurance shall be written on ISO occurrence form CG 00 01 04 13 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract.

COUNTY shall be included as an additional insured under the CGL, using ISO additional insured endorsement **CG 20 24** or a substitute providing equivalent coverage, and under the commercial umbrella, if any. This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to COUNTY. There shall be no endorsement or modification of the CGL to make it excess over other available insurance; alternatively, if the CGL states that it is excess or pro rata, the policy shall be endorsed to be primary with respect to the additional insured.

## **COMMERCIAL AUTOMOBILE LIABILITY**

ORGANIZATION shall maintain automobile liability and, if necessary, commercial umbrella liability insurance with a limit of not less than \$1,000,000 each accident. Such insurance shall cover liability arising out of any owned, hired, and/or non-owned autos, as each may be applicable.

Coverage as required above shall be written on ISO form CA 00 01 10 13 or a substitute form providing equivalent liability coverage.

ORGANIZATION waives all rights against COUNTY and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the business auto liability or commercial umbrella liability insurance obtained by ORGANIZATION pursuant to this Agreement.

## **POLLUTION LEGAL LIABILITY**

ORGANIZATION shall purchase and maintain in force for the duration of the Ground Lease insurance for pollution legal liability applicable to bodily injury; property damage, including loss of use of damaged property or of property that has not been physically injured or destroyed; cleanup costs; and defense, including costs and expenses incurred in the investigation, defense, or settlement of claims; all in connection with any loss arising from the insured facility.

Coverage shall be maintained in an amount of at least \$1,000,000 per loss, with an annual aggregate of at least \$1,000,000.

Coverage as required in this section shall apply to sudden and non-sudden pollution conditions resulting from the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids, or gases, waste materials, or other irritants, contaminants, or pollutants.

If coverage as required in this section is written on a claims-made basis, ORGANIZATION warrants that any retroactive date applicable to coverage under the policy precedes the effective date of this lease; and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of 5 years beginning from the time that work under this contract is completed.

COUNTY, its officers, employees and volunteers shall be included as additional insureds under the pollution legal liability insurance policy. The policy shall be primary with respect to COUNTY as the additional insured.

ORGANIZATION waives all rights against COUNTY and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the pollution legal liability insurance maintained pursuant to this agreement.

## **DIRECTORS & OFFICERS LIABILITY**

ORGANIZATION shall purchase and maintain directors' and officers' liability insurance coverage with limits of at least \$1,000,000 each claim and \$1,000,000 aggregate.

## **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductibles or self-insured retentions must be declared to and approved by the COUNTY Risk Management Division. COUNTY reserves the right to request additional documentation, financial or otherwise, prior to giving its approval of the deductibles and self-insured retention and prior to executing the underlying agreement. Any changes to the deductibles or self-insured retentions made during the term of this Agreement or during the term of any policy must be approved by the COUNTY Risk Manager prior to the change taking effect.

## OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain, the following provisions:

1. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to COUNTY, its officers, employees or volunteers.
2. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to COUNTY except for nonpayment of premium. ORGANIZATION shall be responsible to provide the same notice to the COUNTY if any of its insurance policies cannot be endorsed as required.

## ACCEPTABILITY OF INSURERS

Insurance is to be placed with insurers with a Best's rating of no less than A -: VII. COUNTY, with the approval of the Risk Manager, may accept coverage with carriers having lower Best's Ratings upon review of financial information concerning ORGANIZATION and insurance carrier. COUNTY reserves the right to require that ORGANIZATION'S insurer be a licensed and admitted insurer in the State of Nevada, or on the Insurance Commissioner's approved but not admitted list.

## VERIFICATION OF COVERAGE

ORGANIZATION shall furnish COUNTY with certificates of insurance and with original endorsements affecting coverage required by this exhibit. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. **All certificates and endorsements are to be addressed to the specific COUNTY contracting department and be received and approved by the COUNTY before work commences.** COUNTY reserves the right to require complete, certified copies of all required insurance policies, at any time.

## SUBCONTRACTORS

ORGANIZATION shall include all subcontractors as insureds under ORGANIZATION'S own policies, or shall provide County with each subcontractor's separate evidence of insurance coverage. ORGANIZATION shall be responsible for verifying each subcontractor complies with all of the required insurance provisions herein, and shall require that each subcontractor name the County and ORGANIZATION as additional insured on the Subcontractor's commercial general liability policy. ORGANIZATION shall obtain County's prior review and approval of any Subcontractor request for modification of the insurance requirements herein.

## MISCELLANEOUS CONDITIONS

1. ORGANIZATION shall be responsible for and remedy all damage or loss to any property, including property of COUNTY, caused in whole or in part by ORGANIZATION, any Subcontractor, or anyone employed, directed or supervised by ORGANIZATION.
2. Nothing herein contained shall be construed as limiting in any way the extent to which the ORGANIZATION may be held responsible for payment of damages to persons or property resulting from its operations or the operations of any Subcontractor under it.

3. In addition to any other remedies COUNTY may have if ORGANIZATION fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, COUNTY may, at its sole option:
  - a. Order ORGANIZATION to stop work under this Agreement and/or withhold any payments which become due ORGANIZATION hereunder until ORGANIZATION demonstrates compliance with the requirements hereof;
  - b. Terminate the Agreement.