

# Insurance Requirements For Day Care/Child Care Centers

Day Care/Lessee shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Lessee's operation and use of the leased premises. The cost of such insurance shall be borne by the Lessee.

All Employees and volunteers of the Lessee must undergo and pass criminal background checks before being permitted to work with children.

Lessee shall also be responsible for indemnifying the owner for its operations as well as providing the following insurance to protect the owner.

## Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Commercial General Liability coverage (occurrence form). Day Care/Lessee shall maintain limits no less than: \$1,000,000 per occurrence, \$2,000,000 aggregate. **Including coverage for allegations of molestation. This coverage may be provided under professional liability insurance.**
2. Workers Compensation insurance as required by State law and Employer's Liability insurance
3. Automobile Liability of no less than \$1,000,000 per claim, (if daycare clients will be transported).
4. Property insurance against all risks of loss to any tenant improvements, betterments, and Lessee-owned business personal property.

## Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the owner. At the option of the owner, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the owner, its officers, officials, employees and volunteers; or the Lessee shall provide a financial guarantee satisfactory to the owner guaranteeing payment of losses and related investigations, claim administration and defense expenses.

## Other Insurance Provisions

The general liability policy is to contain, or be endorsed to contain, the following provisions:

1. The owner, its officers, officials, employees and volunteers are to be covered as additional insured with respect to liability arising out of ownership, maintenance or use of that part of the premises day care/child care leased to the lessee.
2. The Lessee's insurance coverage shall be primary insurance as respects the owner, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the owner, its officers, officials, employees or volunteers shall be excess of the Lessee's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the owner.
4. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract.

## Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VI.

## Verification of Coverage

Lessee shall furnish the owner with original certificates and amendatory endorsements effecting coverage required by this clause. The all Insurance Certificates and Additional Insured endorsements are to be received and approved by the owner before lease commences in sufficient time to permit lessee to remedy any deficiencies before the lease commences. The owner reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.