

Insurance Required by MIT for Construction-Related Activities

Higher limits and additional coverages may be required for certain construction-related activities, depending on the nature of the work being provided.

	Type of Insurance	Minimum Limits of Liability
I.	Workers' Compensation	MA Statutory
	Employer's Liability	\$1,000,000
	Covering each and every worker employed in connection with the work as provided in the statutes applicable to Workers' Compensation.	
II.	Commercial General Liability	\$1,000,000 per occurrence
		\$2,000,000 aggregate
	Coverage to include: Personal/Advertising Injury, Products & Completed Operations, Liability assumed under an Insured Contract (including defense costs assumed under contract), and Broad Form Property Damage.	
	In addition to the above, construction contracts must also include: Designated Construction Project — per project limits.	
III.	Automobile Liability	\$1,000,000 combined single limit, Bodily Injury & Property Damage
	Required for Owned, Non-owned, or Hired Vehicles, if vehicles are used in the provision of services under this contract.	
	Endorsements CA-9948 and MCS-90 are required if the Vendor/Contractor is transporting any type of hazardous materials.	
IV.	Excess Liability (Umbrella Form)	\$10,000,000 per occurrence
	Excess coverage is required to {follow form} and apply when the General, Automobile, and Employers' Liability coverage limits are exhausted	
SPECIALIZED COVERAGES		
VII.	Environmental Liability	\$5,000,000 per claim
	This coverage is required whenever work under the contract involves potential environmental risk or losses caused by hazardous materials (including asbestos) that may arise from the operations of the Vendor/Contractor described in the Vendor/Contractor's scope of services	
VIII.	Professional Liability	\$5,000,000 per claim
	Coverage shall be maintained for 6 years after the completion of services or termination of the Agreement. A six-year tail (from the date of substantial completion) applies for construction-related contracts, based upon MA statute of limitations.	

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IX.	Crime / Fidelity Coverage	\$1,000,000* per occurrence
		\$5,000,000* per occurrence
	Coverage should be provided, at a minimum for employee dishonesty (including 3 rd party coverage naming MIT as third-party beneficiary), forgery and social engineering.	
X.	Cyber/Privacy Liability & Technology Errors & Omissions (E&O)	\$5,000,000 per occurrence or per claim – cyber / privacy coverage (as defined below) \$10,000,000 per occurrences or per claims/ aggregate– for technology E&O & cyber/privacy
	*Whenever work involves access to, or possession of, MIT’s financial, private, and proprietary information, including any personal identifiable information (PII), personal health information (PHI) or personal credit information (PCI) of any MIT employee, student or other individual covered under the service provided by Vendor/Contractor, the cyber/privacy coverage referenced below is required. In addition , if Vendor/ Contractor renders specific technology/professional services, then Technology E&O coverage is required in addition to the cyber / privacy coverage.	
	Coverage to include, but not be limited to:	
	a. Network security failures or privacy breaches, including loss or unauthorized access, use or disclosure of MIT data, whether by Contractor of any of its subcontractor or cloud service provider used by Contractor.	
	b. Costs associated with a privacy breach, including notification of impacted individuals, customer support, forensics, crisis management, public relation consulting, legal services of a privacy attorney, credit monitoring and identity fraud resolution services of impacted individuals.	
	c. Expenses related to regulatory compliance, government investigations, fines, fees/assessment and penalties.	
	d. Liability for technological products and services (if such services/products are contemplated by the Agreement)	
	e. PCI (payment card industry) fines, fees, penalties and assessments.	
	f. Cyber extortion (ransomware) payment and response costs	
	g. First and third-party business interruption loss resulting from a network security and system failure.	
	h. Costs of restoring, updating, or replacing data.	
	i. Liability losses connected to network security, privacy and media liability	
	GENERAL TERMS & CONDITIONS	
1.	MIT and its directors, officers, employees, and agents collectively, the “MIT Parties”) MUST be named as additional insureds on the above policies, excepting the Workers’	

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	Compensation and Professional Liability coverages. Additional insured status shall extend to the full limits of liability maintained by the Vendor/ Contractor even if those limits of liability are in excess of those required by this Agreement.
2.	Any policy language limiting the recovery/indemnification to the amount of insurance and/or the limits requested in this contract MUST be removed .
3.	Insurance required and provided by Vendor/Contractor shall be primary and non-contributory to that maintained by MIT, whose coverage, and any self-insured retention levels, shall be excess only and shall not contribute with Vendor/Contractors' insurance. In addition, all policies shall contain a severability of interests provision.
4.	If policies are not endorsed to provide MIT with 30 days' notice prior to cancellation (except for 10 days' notice provided for non-payment of premium) or material reduction of coverage, then such obligation shall rest with the Vendor/Contractor.
5.	Prior to commencing work under this Agreement, Vendor/Contractor shall furnish MIT with Certificates of Insurance, to reflect current compliance with the minimum limits of insurance required under this Agreement, issued by insurance companies authorized to do business in the Commonwealth of Massachusetts and acceptable to MIT.
	(Insurance carriers with a minimum A.M. Best rating of A- VII or better will be deemed acceptable to MIT.)
6.	A waiver of subrogation in favor of MIT, including the MIT Parties.
7.	Vendor/Contractor shall maintain these coverages continuously for the duration of this Agreement, and shall submit a new Certificate as needed, as evidence of continued compliance.
8.	Any coverage written on a "claims made" basis shall provide "tail" coverage for a period of 6 years after completion of the services or termination of the contract.
9.	In the event that the Vendor/Contractor fails to maintain the required types and/or levels of coverage, MIT shall have the right to terminate the Agreement.
10.	Self-insurance of any of the required coverages needs the prior written approval of MIT's Office of Insurance.
	Vendor/Contractor shall not be deemed to be relieved of any contractual liability not covered by insurance.
Owned Equipment of Vendor/Contractor	
1.	MIT shall not be liable for any tools, equipment, materials, supplies, temporary structures, or other property owned or rented by the Vendor/Contractor (or its Subcontractors), which are brought to, used, or stored on MIT premises
2.	The Vendor/Contractor and its subcontractors assume such risks of property damage or loss, and waive all rights of recovery they may have against MIT for damage to such items, and their insurers' right of subrogation under any policy of insurance covering the Vendor/Contractor's or its subcontractors' own tools, equipment, facilities, and other property against loss by physical damage or theft.

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For more information or any questions regarding the requirements outlined herein, please contact the Office of Insurance at insurance@mit.edu