

DIOCESE OF DES MOINES

CONTRACT REVIEW POLICY

DIOCESE OF DES MOINES CONTRACT REVIEW POLICY

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DIOCESE OF DES MOINES CONTRACT REVIEW POLICY

PURPOSE: The purpose of this policy is to insure that all of the various entities that are part of the Diocese of Des Moines are following the same procedures when making agreements with outside contractors.

In addition, to insure that the liability under the contract is assumed by the proper party and in particular that the Diocese does not agree to any unnecessary hold harmless provisions.

PROCEDURES: The following procedures will be followed by all Diocesan entities:

1. All Construction contracts of \$10,000 or more must be reviewed by the CFO of the Diocese prior to beginning project.
2. All Construction Contracts greater than \$50,000 must be submitted for review and approval by the Diocesan Building Commission per the Diocese Construction guidelines. Contact Bishop's secretary for a copy.
3. All contractors are required to carry three types of insurance (regardless of the size of the contract) and provide proof to you that they have each type. The three types of insurance are:
 - a. Public liability (General Liability) - \$2,000,000 per occurrence minimum limit
 - b. Workers' Compensation – Statutory Limits
 - c. Automobile Liability - \$1,000,000 per accident minimum limit
4. Certificates of Insurance **MUST** be obtained verifying all three of the above types of insurance and **naming the parish/institution and the Diocese as additional insured** on the General Liability policy. (See sample certificate of Insurance in Attachment A).
5. The standard contract "AGREEMENT BETWEEN OWNER AND CONTRACTOR" is to be used for small construction jobs (less than \$50,000) including, renovations, small additions, etc. This avoids using different contracts for each contractor. If the contractor does not want to use this contract, their contract will have to be reviewed as stated in (1) above. (See contract in Attachment B).
6. Construction Contracts greater than \$50,000 generally will be written using one of the AIA (American Institute of Architects) Construction Contracts. These contracts should be amended per the attached Catholic Mutual "Addendum/Changes to the AIA Contract". (See contract in Contract C)
7. All signed contracts must be maintained at the Diocesan office in a central file specifically for Certificates of Insurance to monitor that the certificates are up to date.
8. All Construction contracts greater than \$50,000 must include a performance bond.
9. All Contracted Service people are required to carry three types of insurance (regardless of the size of the contract) and provide proof to you that they have each type. The three types of insurance are:
 - a. Public liability (General Liability) - \$1,000,000 per Occurrence Minimum Limit
 - b. Workers' Compensation – Statutory Limits
 - c. Automobile Liability - \$100,000 per person/\$300,000 per accident minimum limitsCertificates of Insurance **MUST** be obtained verifying all three of the above types of insurance. The attached form "Service Contract" should be executed before work begins. (Attachment D).
10. Small routine maintenance jobs do not require the use of contracts.

11. Professional service contracts should be used when contracting for the services of architects and engineers. These contracts should name the parish/institution and the Diocese as additional insured on the Architect or engineer's Professional Liability policy. All professional service contracts must be reviewed by (designated Diocese personnel).
12. All building lease agreements must be reviewed by (designated Diocese personnel). See attached guidelines for these lease agreements. (Attachment E).
13. Unrelated Third Parties using our facilities must either sign a Facility Usage/Indemnity agreement (See attached guidelines in Attachment F) or purchase Special Event coverage provided by Catholic Mutual (see attached Special Event guidelines in Attachment G). The "Application For Special Events Coverage is found in Attachment H.

Attachment B

AGREEMENT BETWEEN OWNER AND CONTRACTOR

_____, hereinafter called the Owner, agrees to pay
Parish/Institution

_____, hereafter called the Contractor, the sum of

\$ _____ (_____) dollars for the following work:

Partial payment requests will be considered based on a maximum of 90% of materials on the job or in place and labor already accomplished.

The work shall be completed by _____, and the Contractor shall provide the following warranties or other documents prior to payment:

The Contractor shall begin the work within seven (7) days of the date of this contract unless other provisions have been made. He shall carry the work forward expeditiously with adequate, qualified workers and shall achieve substantial completion within the contract time.

Neither the final certificate of payment, nor any provisions in the contract, nor partial or entire use of the project by the Owner shall constitute an acceptance thereof if not in accordance with the contract or relieve the Contractor of liability in respect to any express warranties or faulty workmanship/materials within a period of one year.

The Contractor shall indemnify and hold harmless the Owner, its agents, and employees from and against all claims, damages, losses, and expenses, including, but not limited to, attorneys' fees arising out of or resulting from the performance of the work, which is caused in whole or in part by the negligent act or omission of the Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them. In case any action is brought therefore against the Owner or any of its agents, employees or Subcontractors, the Contractor shall assume full responsibility for the defense thereof; upon Contractor's failure to do so on proper notice, the Owner reserves the right to defend such action and to charge all costs thereof to the Contractor. The carrying of the insurance required herein shall not relieve the Contractor of the duty of indemnity in the event that such insurance shall be inadequate, for any reason, to protect the Owner in full.

The Contractor shall at all times carry the following insurance coverage:

- A. Workers' Compensation insurance on all his/her employees; he/she will also require all the Subcontractors to carry Worker's Compensation on all their employees. Contractor will indemnify the Owner against any claims made by any employees, Subcontractors, or anyone employed directly or indirectly by any of them. This indemnification is not limited to compensation paid under any Worker's Compensation policy.

- B. Public liability insurance in an amount of not less than \$2,000,000 per occurrence. Such insurance shall include the Owner, all Subcontractors, and anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable as additional insured. Said public liability insurance shall include claims for damages because of bodily injury, sickness or disease, or death of any person other than the Contractor's employees, claims for damages insured by usual personal injury liability coverage which are sustained by any person as a result of an offense directly or indirectly related to the employment of such person by the Contractor or by any other person, and claims for damages, other than to work itself, because of injury to or destruction of tangible property, including loss of use resulting there from.
- C. Automobile liability insurance, covering any and all kinds of motor vehicles, in an amount of not less than \$100,000/\$300,000. Such insurance shall include any and all claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance, or use of a motor vehicle.

Each of the above listed policies will contain a requirement that, in the event of change or cancellation, ten (10) days' prior written notice will be sent by mail to the Owner.

The contractor shall provide Owner with bonds covering faithful performance of the contract and payment of obligations arising thereunder. The amount of each bond shall be equal to 100% of the contract sum.

Said bond must be executed by a company authorized to do business in the state of Iowa. The bond will be given to the Owner prior to any work being started.

The contractor will present a list of all the Subcontractors prior to beginning construction. At the conclusion of the job, the Contractor will provide lien waivers from his/her company and from each of the Subcontractors. If any Subcontractor refuses to sign the lien waiver, then the Contractor will provide an invoice from the Subcontractor. This invoice must show that it is the total balance owed on the job and be signed by both the Contractor and the Subcontractor. The Owner will then issue a check payable jointly to the Contractor and the Subcontractor and deduct the amount from the balance owed to the Contractor.

The Contractor shall be responsible for initiating, maintaining, planning, and supervising all safety precautions and programs in connection with the work.

The Contractor will not discriminate against any employee, applicant for employment, or Subcontractor because of race, creed, color, sex, handicap, or national origin.

If the Contractor:

- is adjudged a bankrupt;
- makes a general assignment for the benefit of his creditors;
- has a receiver appointed on account of his insolvency;
- persistently or repeatedly refuses or fails, except in cases for which extension of time is provided to supply enough properly skilled workers or proper materials;
- fails to make prompt payment to Subcontractors or for materials or labor,
- persistently disregards laws, ordinances, rules, regulations, or orders of any public authority having jurisdiction;
- or otherwise is guilty of a substantial violation of a provision of the Contract documents,

then the Owner may, without prejudice to any right or remedy, and after giving the Contractor and his surety, if any, seven days' written notice, terminate the employment of the Contractor and the contract will be deemed null and void.

Miscellaneous Provisions:

Owner	Date	Contractor	Date
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Attachment C

AIA DOCUMENTS

Necessary deletions to various construction contracts:

What they are:

When parishes/Institutions enter into a contract for a major renovation or remodeling project of parish/institution facilities or for the construction of a new building, a contract is signed with the general contractor. In most instances, the contract required is a standard contract prepared by the American Institute of Architects, (AIA). Two of the most common standard contracts are the AIA Document A201 and the AIA Document A107. There are many other AIA contracts.

From an insurance and indemnification standpoint, the standard documents are written in favor of the contractor and/or sub-contractor. Fortunately, the contracts can be altered to make them more equitable for parishes/Institutions.

Attached is a contract that allows for changes to be made to various AIA contracts. Please note the changes are only intended to address insurance and indemnification concerns. Other areas of the contract should e reviewed on behalf of the parish/institution by a qualified attorney and the Diocesan Building Commission.

ADDENDUM/CHANGES TO THE AIA CONTRACT

Please check the box next to the AIA or AGC document that is being utilized. Checked boxes will denote the deletion and/or modification of the corresponding AIA or AGC contract as shown below.

Owner and Contractor agree that changes outlined will be binding and alter the corresponding AIA or AGC contracts. Both Owner and Contractor agree the Addendum will supersede any other contractual language.

- AIA Document A201 – 1987 edition - General Conditions of the Contract for Construction
 - 10.1.4 Delete second from last sentence (beginning with “regardless of whether or not...”)
 - 11.3.1 Delete Second half of first sentence (beginning after semicolon with “This insurance shall...”)
 - 11.3.2 Delete entire paragraph
 - 11.3.3 Delete entire paragraph
 - 11.3.5 Delete entire paragraph
 - 11.3.7 Delete entire paragraph

- AIA Document A201 – 1997 edition - General Conditions of the Contract for Construction
 - 10.3.3 Delete the word “sole” from the last sentence
 - 11.3.3 Delete entire paragraph
 - 11.4.1 Delete the last sentence only (beginning with “This insurance shall...”)
 - 11.4.2 Delete second half of first sentence (beginning after semicolon with “This insurance shall...”)
 - 11.4.3 Delete entire paragraph
 - 11.4.5 Delete entire paragraph
 - 11.4.7 Delete entire paragraph

- AIA DOCUMENT A107 – 1987 edition - Abbreviated Form of Agreement Between Owner and Contractor for Construction Projects of Limited Scope
 - 17.2 Delete last sentence only (beginning with “The Contractor shall...”)
 - 17.3 Delete last sentence only (beginning with “This insurance shall...”)
 - 17.6 Delete entire paragraph

- AIA Document A107 – 1997 edition - Abbreviated Standard Form of Agreement Between Owner and Contractor for Construction Projects of Limited Scope
 - 15.2.2 Delete the word “sole” from the last sentence
 - 16.3.3 Delete entire paragraph
 - 16.4.1 Delete last sentence only (beginning with “this insurance shall...”)
 - 16.5.1 Delete entire paragraph

- AGC Document 410 – 1993 edition - Standard Form of Design – Build Agreement and General Conditions Between Owner and Contractor
 - 11.5.1 Delete second sentence only (beginning with “This insurance shall...”)
 - 11.5.3 Delete entire paragraph
 - 11.5.4 Delete entire paragraph
 - 11.6.1 Delete entire paragraph
 - 11.7.1 Delete entire paragraph
 - 11.7.2 Delete entire paragraph

- AGC Document 415 – 1993 edition - Standard Form of Design – Build Agreement and General Conditions Between Owner and Contractor
 - 10.1.2 Delete entire paragraph
 - 10.5.1 Delete Contractor, Architect/Engineer, Subcontractors and Subsubcontractors from the second sentence in lines two and three
 - 10.5.4 Delete Contractor, Architect/Engineer, Subcontractors and Subsubcontractors from the first sentence in lines one and two and the entire last sentence (beginning with “Exposures of the...”)
 - 10.5.5 Last sentence only (beginning with “If the Contractor...”)
 - 10.7.1 Delete entire paragraph
 - 10.7.2 Delete entire paragraph

- AIA Document A191 – Electronic Format – 1996 edition - Standard Form of Agreements Between Owner and Design/Builder
 - 7.2.1 Delete last sentence only (beginning with “The Design/Builder shall...”)
 - 7.3.1 Delete last sentence only (beginning with “This insurance shall...”)
 - 7.3.3 Delete entire paragraph
 - 7.3.4 Delete last sentence only (beginning with “This insurance shall...”)
 - 7.3.8 Delete entire paragraph

7.4.1 Delete entire paragraph

AIA Document B141 – 1987 edition - Standard Form of Agreement Between Owner and Architect

9.4 Delete entire paragraph

AIA Document B141 — 1997 edition - Standard Form of Agreement Between Owner and Architect with Standard Form of Architects Services

1.3.6 Delete entire paragraph

1.3.7.4 Delete entire paragraph

AIA Document B151-1997 edition - Abbreviated Standard Form of Agreement Between Owner and Architect

9.4 Delete entire paragraph

AGC Document 250 – 2000 Edition - Standard Form of Agreement and General Conditions Between Owner and Contractor

11.1.1 Delete the phrase “other than to the work itself and other property insured under subparagraph 11.4” from the first sentence (beginning in the third line)

11.1.2 Owner will not be responsible to indemnify for any act or omission of an Architect/Engineers or others

11.2 Delete entire paragraph

11.4.1 Delete the second sentence (beginning with “This insurance shall also name...”) and delete the fourth sentence (beginning with “This policy shall provide for a waiver...”)

11.4.3 Delete entire paragraph up to the word “more” in the eighth line. The rest of the paragraph (beginning with “the Contractor shall indemnify”) remains intact.

CONTRACTOR:

PARISH/INSTITUTION:

Lincoln)

(Parish is understood to include the Diocese of

NAME

NAME

DATE

DATE

SERVICE CONTRACT

Public Liability Insurance: While CONTRACTOR is performing operations at PARISH/INSTITUTION, CONTRACTOR shall maintain public liability insurance in the amount of not less than one million dollars (\$2,000,000.00) per occurrence and name PARISH/INSTITUTION as an additional insured on such policy of insurance. It is further agreed that the CONTRACTOR agrees to protect, defend, indemnify, and hold harmless the PARISH/INSTITUTION against and from any claim or cause of action arising out of or from any negligence or other actionable fault of the CONTRACTOR, its employees, agents, members or officers.

Automobile Liability Insurance: CONTRACTOR shall maintain automobile liability insurance for any owned autos, hired autos or non-owned autos used in connection with the contractor's business. Automobile liability coverage should be maintained by the CONTRACTOR in the minimum amounts of \$100,000 per person/\$3,000,000 per accident/\$50,000 property damage.

Worker's Compensation Insurance: CONTRACTOR shall maintain worker's compensation insurance as required by law.

Additional Insured: CONTRACTOR agrees to provide a certificate of insurance to the PARISH/INSTITUTION as an additional insured on CONTRACTOR'S liability policy for claims arising out of CONTRACTORS' operations or made by CONTRACTOR'S employees, agents, guests, customers, invitees or subcontractors. CONTRACTOR must verify its liability insurance policy is primary in the event of a covered claim or cause of action against PARISH/INSTITUTION. If and only if CONTRACTOR fails to fulfill the insurance requirements contained in this addendum, then CONTRACTOR agrees to defend, hold harmless and indemnify the PARISH/INSTITUTION against and from any claim or cause of action arising out of CONTRACTOR'S operations or any claim or cause of action which is brought against PARISH/INSTITUTION by CONTRACTOR, its employees, agents, guests, customers, invitees or subcontractors which is alleged against the PARISH/INSTITUTION, even if such claim or cause of action arose from the negligence of PARISH/INSTITUTION, its employees or volunteers or another party not named to this contract.

Subcontractors: CONTRACTOR shall be required to verify that all subcontractors maintain public liability insurance, worker's compensation insurance and automobile liability insurance. Furthermore, CONTRACTOR agrees to indemnify and defend the PARISH/INSTITUTION for any claim or cause of action, whatsoever which was caused by the negligence, or other actionable fault of an uninsured subcontractor.

No Waiver of Subrogation: PARISH/INSTITUTION does not waive any rights of recovery against the CONTRACTOR or subcontractor for damages that are covered by the PARISH/INSTITUTION property insurance coverage or builder's risk coverage. CONTRACTOR and PARISH/INSTITUTION agree that this addendum overrides any and all portions of previous agreements between CONTRACTOR and PARISH/INSTITUTION that contain language in contradiction with this contract

Severability Provision: If any paragraph or sentence of this addendum to Contract is deemed or is determined to be in conflict with local or state or national statutes, both CONTRACTOR and PARISH/INSTITUTION agree that; the portion of the Addendum to Contract which is in conflict with the statute will be stricken from the Addendum to Contract with the remainder of the addendum to Contract remaining binding for both parties.

BY: _____ BY: _____
Contractor Parish/Institution

START DATE OF CONTRACT (Understood to be dated signed if left blank): _____

Instruction to parish/institution: This Addendum to Contract stands on its own as a legal contract between PARISH/INSTITUTION and CONTRACTOR should this addendum not be incorporated or attached to a contract.

Attachment E

Catholic Mutual. . ."CARES"

ADDENDUM TO LEASE

The Addendum to Lease has been designed to fulfill the insurance requirements for both tenants and the parish when parish property is leased. Therefore, even if a written lease is not used, the Addendum to Lease must still be completed to ensure that insurance requirements have been met.

When your parish enters into an agreement with a tenant for long term usage of parish facilities, a written lease should be drafted. The Addendum to Lease should be attached to the parish's written lease or the wording of the addendum incorporated into the lease. Please remember that your parish and the Arch/Diocese must be named as an additional insured on the Lessee's public liability insurance policy. It is not adequate for a Lessee to simply provide the parish proof of insurance where the parish is named as a "certificate holder."

Examples of situations where the parish should use the Addendum to Lease are as follows:

- 1) The convent is rented as a residence belonging to a religious order.
- 2) Space is rented in the school to be used as a non-parish operated daycare or learning center.
- 3) Office space is being rented in the parish rectory to a non-Arch/Diocesan organization.
- 4) The Addendum should not be used when the parish leases apartments or flats as private residences.

Your Diocese does have a lease review policy. Accordingly, leases should be reviewed by Catholic Mutual prior to the lease being signed by a parish representative. Should a prospective tenant have any questions regarding the requirements outlined in the Addendum to Lease, please refer them to Catholic Mutual at (800) 228-6108.

ADDENDUM TO LEASE

PUBLIC LIABILITY INSURANCE: LESSEE shall maintain public liability insurance in the amount of not less than two million dollars (\$2,000,000) per occurrence for the duration in which LESSEE rents or uses PARISH property and name PARISH as an additional insured on such policy of insurance. It is further agreed that LESSEE agrees to protect, indemnify, defend and hold harmless the PARISH against and from any claim or cause of action arising out of or from any negligence or other actionable fault caused by LESSEE or its employees, agents, members or officers.

FIRE DAMAGE INSURANCE: LESSEE shall maintain fire damage insurance (fire legal liability) for the term of this lease. LESSEE agrees to maintain fire damage coverage in the minimum amount of two million dollars (\$2,000,000).

WORKER'S COMPENSATION INSURANCE: LESSEE shall maintain worker's compensation insurance as required by law.

ADDITIONAL INSURED: LESSEE will name the PARISH as an additional insured on its public liability insurance policy for the duration of LESSEE'S renting or using PARISH property for claims arising out of LESSEE'S operations or made by LESSEE'S employees, agents, students, guests, customers or invitees. LESSEE must verify that its insurance policy is primary in the event of a covered claim or cause of action against PARISH. LESSEE will provide proof to PARISH that the insurance requirements have been met as outlined in this contract. If and only if LESSEE fails to fulfill the insurance requirements contained in this addendum, then LESSEE agrees to defend, hold harmless and indemnify the PARISH against and from any claim or cause of action arising out of LESSEE'S operations or any claim or cause of action which is brought against PARISH by LESSEE, its employees, agents, students, guests, customers, invitees which is alleged against the PARISH, even if such claim or cause of action arose from the negligence of PARISH, its employees or volunteers, or the negligence of any other individual or organization.

INSPECTION BY THE PARISH: PARISH may at any and all reasonable times enter premises leased to LESSEE for inspection purposes.

NO WAIVER OF SUBROGATION: PARISH does not waive any rights of recovery against the LESSEE for damages that are covered by the PARISH'S property insurance coverage. LESSEE and PARISH agree that this addendum overrides any and all portions of previous agreements between LESSEE and PARISH that contain language in contradiction with this contract.

SEVERABILITY PROVISION: If any paragraph of this Addendum to Lease is deemed or is determined to be in conflict with local or state or national statutes, both LESSEE and PARISH agree that the portion of the Addendum to Lease which is in conflict with the statute will be stricken from the Addendum to Lease with the remainder of the Addendum to Lease remaining binding for both parties.

LESSEE:

PARISH:

(PARISH is understood to include the Arch/Dioocese of _____)

BY:

BY:

NAME

NAME

DATE

DATE

START DATE OF LEASE (Understood to be date signed if left blank): _____

Instruction to PARISH (PARISH Use Only): This Addendum to Lease stands on its own as a legal contract between PARISH and LESSEE should this addendum not be incorporated or attached to a lease.

Catholic Mutual . . . “CARES”

FACILITY USAGE/INDEMNITY AGREEMENT

The Facility Usage/Indemnity Agreement must be used when non-parish sponsored or affiliated groups use parish facilities on a short-term basis such as one day or a week. The following groups are examples of non-parish sponsored or affiliated groups that should sign the Facility Usage/Indemnity Agreement:

1. Girl Scouts, Knights of Columbus, American Legion or other similar organizations that use parish facilities for meetings or fundraisers.
2. AAU sport teams or non-parish sponsored sport classes/clinics.
3. Parishioner and non-parishioner families that rent or use parish facilities for wedding receptions ,family reunions, anniversary parties or other similar activities. (In lieu of signing the Facility Usage/Indemnity Agreement, a parishioner or non-parishioner family would be eligible to purchase “special” event “liability coverage through your parish via Catholic Mutual). Please note that funeral luncheons are parish sponsored events.
4. Any other organization, municipality or county organization that uses parish facilities for a meeting or function that is non-parish sponsored.

The Facility Usage/Indemnity Agreement requires the facility user to provide the parish with a certificate of insurance documenting general liability coverage in the amount of \$1,000,000 per occurrence. This certificate of insurance must name your parish and the Diocese as an additional insured. It is not adequate to obtain a certificate of insurance, which names the parish as a “certificate holder.”

It is often asked what criteria an organization must meet to be parish sponsored or affiliated. In the event of an insurance claim involving a potential non-parish sponsored activity, the following questions would be asked to further determine if a group was parish sponsored and eligible for insurance coverage:

1. Did the parish have full control over the group or function?
2. Did any costs or fees associated with the function flow through parish accounts?
3. Was the function or group open to all parish members?
4. Was the purpose of the function or group to facilitate learning, raise revenue for the parish or provide a social service on behalf of the parish?
5. Was the teacher or leader of the group a parish volunteer or employee?

In general, a group, which does not meet the definition of an affiliated organization or is unable to answer the above five questions in the affirmative would not be parish sponsored. Accordingly, that group must sign the Facility Usage/Indemnity Agreement and supply the parish with the necessary insurance documentation.

FACILITY USAGE/INDEMNITY AGREEMENT

PARISH : _____

PARISH is understood to include the Arch/Diocese of _____

FACILITY USER: _____

DATES OF FACILITY USAGE: _____

TYPE OF FACILITY USAGE: _____

The above named FACILITY USER agrees to defend, protect, indemnify and hold harmless the above named PARISH against and from all claims arising from the negligence or fault of the above named FACILITY USER or any of its agents, family members, officers, volunteers, helpers, partners, organizational members or associates which arise out of the above identified FACILITY USAGE at the above named PARISH.

FACILITY USER agrees to provide a certificate of insurance to the PARISH, which provides evidence of general liability coverage of not less than one million dollars (\$1,000,000) per occurrence. FACILITY USER also agrees to have the PARISH named as an "Additional Insured" on its general liability policy for the DATE(S) OF FACILITY USAGE in relationship to the TYPE OF FACILITY USAGE for claims which arise out of FACILITY USER'S operations or are brought against the PARISH by FACILITY USERS' employees, agents, partners, family members, students, customers, function attendees, guests, invitees, organizational members or associates. FACILITY USER also agrees to ensure that its liability insurance policy will be primary in the event of a covered claim or cause of action against PARISH.

If and only if FACILITY USER fails to comply with the above (second) paragraph, then the above named FACILITY USER agrees to protect, defend, hold harmless and fully indemnify the above named PARISH for any claim or cause of action whatsoever arising out of or related to the usage which takes place during the above identified DATE(S) OF FACILITY USAGE that is brought against the PARISH by the above named FACILITY USER or its employees, agents, partners, family members, students, customers, function attendees, guests, invitees, organizational members or associates, even if such claim arises from the alleged negligence of the PARISH, its employees or agents, or the negligence of any other individual or organization. If any sentence or paragraph of this agreement is held invalid, it is agreed that the balance thereof, shall continue in full legal force and effect.

SIGNED BY: _____
(Must be an official agent of FACILITY USER)

NAME (Please print): _____

DATE: _____

Attachment G

THIRD PARTY SPECIAL EVENTS COVERAGE

Special Events Coverage is a mechanism, which allows the arch/diocese to extend liability coverage to an individual or organization using parish facilities for a non-parish sponsored event. For a cost of \$95 per event, \$1,000,000 in liability coverage is extended to a non-parish sponsored facility user (lessee).

WHEN SHOULD SPECIAL EVENTS COVERAGE BE UTILIZED?

Special Events Coverage can be used when a parish or other church institution is allowing an individual or organization to use its facilities for a non-parish sponsored activity. When determining whether or not an activity is parish sponsored, the following questions are helpful.

1. Does the parish have full control or final decision making authority over the function?
2. Do fees associated with the function flow through parish accounts?
3. If applicable, is the function open to all parish members?
4. Is the purpose of the function to facilitate learning, raise funds for the parish or to provide a social service on behalf of the parish?
5. Is the organizer or leader of the function a parish employee or volunteer?

Generally, if the answer to any of the above questions is “no”, the activity is not parish sponsored meaning that the facility user needs to provide insurance which includes the arch/diocese and the parish as additional insureds.

When it is determined that an activity is non-parish sponsored, there are two options:

OPTION I

The attached Facility Usage/Indemnity Agreement can be completed by the organization using parish facilities. This agreement requires \$1,000,000 in liability coverage, which must name your parish and the arch/diocese as additional insureds.

OPTION II

Special Events coverage can be purchased which will cover the individual or organization holding the activity, the parish, and the diocese.

WHO IS ELIGIBLE FOR SPECIAL EVENT COVERAGE?

Special Events coverage is designed for arch/dioceses and parishes and can be extended to individuals and/or organizations (either profit or non-profit). Many individuals need this coverage for events such as private wedding receptions or family reunions. Non-profit organizations such as a charity organization may need the coverage for a pancake breakfast. A for-profit organization such as a local business may need the coverage for an employee Christmas party held on parish facilities.

WHAT IS COVERED BY SPECIAL EVENTS COVERAGE?

Below is a brief explanation of what is covered by special Events Coverage along with some items that are excluded. Please note that the actual coverage form must be examined for an exhaustive explanation of what is covered and excluded.

- Most non-parish sponsored activities are covered by Special Events Coverage. Common examples are wedding receptions, family reunions, awards banquets, and fund raisers.
- \$1,000,000 in liability coverage for bodily injury and property damage is provided for the special event user, parish, and arch/diocese. Please note that the \$1,000,000 limit is shared by the covered parties and is a "per event" coverage.
- Liquor liability coverage is provided.
- Some types of events are not covered.
 - Any event lasting longer than 72 hours
 - Fireworks
 - Events involving more than 1000 people
 - Events where admission is charged unless all proceeds go to charity
 - Events involving amusement devices or trampolines
 - Carnivals
 - Any event organized or run by a professional promoter
 - Sporting events including camps and tournaments
 - Events involving pool or lake activities
 - Events involving recreational vehicles

Fax applications to LMC-attention Julie (who will forward to Catholic Mutual Group) at least 15 days prior to the event. These must be pre-approved.

