

The University of Alabama Automobile Repair Vendor Insurance Requirements

Purpose

The University of Alabama (“University”) is exposed to a financial risk from negligent/wrongful acts when using automobile/truck repair services, tire dealers, or body shops, all of which are hereinafter known as *vendors*. To reduce this financial exposure, the University requires vendors doing business with the University to maintain insurance as necessary to reasonably protect the financial interests of the University.

Policy

All vendors conducting business with the University must provide evidence of insurance as outlined below. The insurance company must have financial strength rating that confirms the ability to respond to a significant claim.

There are other applicable insurance requirements for the purchase of goods and services, service and repair contracts, construction risks, use of University facilities, Greek social organizations, and non-owned, leased and charters aviation risk. These policies and/or requirements can be found on the Risk Management website.

General Insurance Requirements

Garage Liability (Must include “Symbol 30” and include a Broad Form endorsement CA-25-14 or an equivalent)

Each Occurrence/No Policy Aggregate	\$1,000,000
-------------------------------------	-------------

Commercial/Business Automobile (“BA”) Liability (May be Combined with Garage Liability)

Combined Single Limit	\$1,000,000
-----------------------	-------------

Workers’ Compensation/Employer’s Liability

Workers Compensation (Coverage Part A)	<i>Statutory</i>
Employer’s Liability (Coverage Part B)- Per Occurrence	\$500,000

Garage Keepers Liability - Direct Primary

In an amount to cover the value of the University’s vehicles entrusted to the vendor for repairs and the value of the vehicles owned by other parties also entrusted to the vendor.

Certificates of Insurance

In order to protect the University's interests and other parties as necessary, the University must receive a Certificate of Insurance prior to the commencement of any work. The certificate of insurance must include the following elements:

Insured Entity (must match the name/address of the entity in the contract/purchase order)

Insurance Carrier(s)

Policy Effective/Expiration Dates

Policy Number(s)

Policy Limits

Cancellation Notice Provision (Min. 10 days for non-payment - 30 days otherwise)

Project Number or Purchase Order, if Applicable

Additional Insured and Waiver of Subrogation Language as Follows:

The Board of Trustees of the University of Alabama, its individual trustees, officers, directors, employees, agents and representatives are included as an additional insured as respect to the Garage Liability policy. Unless precluded by law, all policies waive the right to recovery or subrogation against the Board of Trustees of the University of Alabama, its individual trustees, officers, directors, employees, agents and representatives.

Insurance Carriers

The policies must be issued by an insurance company licensed to do business in the State of Alabama carrying an *A.M. Best's* rating of A- VII or better, and the certificate must be signed by an authorized agent.

Insurance Requirement Waivers

In certain cases, the general requirements for certain insurance coverage may be waived, reduced or exceptions allowed. The most notable potential exceptions include, but are not limited to the following:

- 1) Vendors with the financial strength to self-insure part or all of insurance requirements outlined above as evidenced in audited financials reflecting a net worth adequate to absorb self-insured losses.
- 2) If a vendor/contractor elects to participate in a self-insured workers' compensation program, the *A.M. Best's* or *Standard & Poor's* rating requirement may be waived as long as self-insured entity or group trust is in good standing with the appropriate governmental agency and holds a current exemption certificate or certificate of authority. If the authorization to self-insure is subject to a specific and/or aggregate limit, the self-insured entity or group shall provide evidence of excess insurance.
- 3) If a vendor is allowed a workers' compensation exemption due to the limited number of employees, the coverage requirement may be waived if the type of work is not understood to be hazardous classification. A waiver and/or release of liability may be required if a workers' compensation exemption is allowed.