

**Exhibit R
Indemnification and Insurance Requirements**

The following coverages noted with an "X" are required with the Combined Single Limits (CSL) as noted on the right.

Limits

(X) Worker's Compensation		Statutory
(X) Employer's Liability		\$1,000,000.00
() Broad Form All States Endorsement		
() Voluntary Compensation Endorsement		
() Longshoremen's and Harbor Worker Workers' Compensation Act Endorsement		
(X) General Liability _____		<u>\$1,000,000.00</u>
(X) Premises and Operations	() Explosion Hazard	
(X) Contractual Liability	() Collapse Hazard	
(X) Independent Contractors	() Underground Hazard	
(X) Products/Completed Operations	() Garagekeepers Legal Liability	
() Broad Form Property Damage	() Hangar Keepers Legal Liability	
(X) Personal Injury	() Owned Automobiles	
() Broad Form Liability Endorsement	() Non-owned Automobiles	
() Fire Legal Liability	() Hired Automobiles	
() Watercraft Liability	() Incidental Medical Malpractice	
(X) Automobile Liability (if auto is used for this contract)		<u>\$500,000.00</u>
(X) Owned Automobiles		
(X) Non-Owned Automobiles		
___ Professional Liability (if applicable)		\$ _____
___ Property Insurance _____		\$ _____
() Extended Coverage	() Debris Removal	
() Vandalism & Malicious Mischief	() Sprinkler Leakage	
() Flood	() Windstorm	
() Earthquake \$ _____	() Other	
___ Aircraft Liability (Bodily injury and property Damage)		\$ _____
() Passenger Liability (per seat) \$ _____		
___ Ocean Marine Liability		\$ _____
() Protection and Indemnity	() Cargo	
() Running Down Clause	() Inchmaree Clause	
() Pollution	() Charter's Legal Liability	
() Jones Act	() Wharfinger's Liability	
(X) Fidelity Bond		<u>\$25,000.00</u>
(X) Directors and Officers Insurance		<u>20%</u>

***Refer to Section 4.31, INSURANCE, of the Agreement beginning on page 38 for specific information about language which needs to appear in the certificate of insurance.**

Exhibit R (continued)
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Acceptable Evidence. Contractor shall provide LAHSA with a certificate of insurance as form of evidence of insurance. Further, Contractor shall submit a certified copy of the full policy upon request by LAHSA.

Additional Pages. If there is insufficient space on the reverse side of the form to note pertinent information, such as inclusions, exclusions or specific provisions, etc., attach separate sheets and note this on the endorsement form.

Coverage & Limits. The coverage's and limits for each type of insurance are specified on the insurance requirement sheet. When coverage is on a scheduled basis, a separate sheet may be attached to the endorsement listing such scheduled locations, vehicles, etc., so covered.

Document Reference. Include reference to the specific AGREEMENT (contract, lease, etc.) or indicate that all such AGREEMENTs are covered.

Excess Insurance. Endorsements to excess policies will be required when primary insurance is insufficient to comply with the requirements.

Multiple Policies. More than one insurance policy may be required to comply with the insurance requirements.

Renewals. For extensions or renewals of insurance policies which have Los Angeles Homeless Services Authority's Endorsement attached, a renewal endorsement or a certificate (with an original signature) as evidence of continued coverage is acceptable if it includes the statement that the insurance protection afforded Los Angeles Homeless Services Authority has been renewed under the same terms and conditions as previously approved. If the policy or carrier has changed, however, new evidence of insurance must be submitted.

Signature. Please have an authorized representative of the insurance company manually sign the completed endorsement forms. Signatures must be originals, facsimile (rubber stamp, photocopy, etc.) or initialed signatures will not be accepted.

Underwriter. The name and address of the insurance company underwriting the coverage must be noted on the endorsement form. In the case of syndicates or subscription policies, indicate lead underwriters or managing agent and attach a schedule of subscribers, including their percent participation.

Workers' Compensation coverage: If you have been authorized by the State of California to self-insure Workers' Compensation, a copy of the certificate from the State consenting to self-insurance will meet the evidence requirement.

Additional Insured/Loss Payee: LAHSA, its Boards, Officers, Agents and Employees shall be included as additional insured' in all liability insurance policies except: Workers' Compensation, Employer's Liability, Professional Errors and Omissions, second-party Legal Liability coverage's (such as Fire Legal) and Owners and Contractors Protective Liability, in which latter case LAHSA shall be the Named Insured. LAHSA shall be named Loss Payee as Its Interest May Appear in all required property, fidelity or surety coverage.

Exhibit R (continued)
Indemnification and Insurance Requirements

Severability of Interest: Except with respect to the insurance company's limits of liability each liability insurance policy shall apply separately to each insured against whom a claim or suit is brought against. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included.

Aggregate Limits/Blanket Coverage: If any of the required insurance coverage contain aggregate limits, or apply to other operations or tenancy of Contractor not related to this Agreement, Contractor shall give LAHSA prompt, written notice of any incident, occurrence, claim, settlement or judgment against such insurance which in Contractor's best judgment may diminish the protection such insurance affords LAHSA. Further, Contractor shall immediately take all reasonable and available steps to restore such aggregate limits or shall provide other insurance protection for such aggregate limits. LAHSA may at its option, specify a minimum acceptable aggregate for each line of coverage required.

Self-Insurance and Self-Insured Retention's: Self-insurance Programs and self-insured retention in insurance policies are subject to separate approval by LAHSA upon review of evidence of Contractor's financial capacity to respond. Additionally, such Programs or retention must provide LAHSA with at least the same protection from liability and defense of suits as would be afforded by first-dollar insurance. LAHSA will consider a self-insured Program or self-insured retention as an alternative to commercial insurance from Contractor upon review and approval of the following:

A formal declaration to be self-insured for the type and amount of coverage indicated. This can be a corporate resolution or a certified statement from a corporate official or an authorized principal of a partnership or a sole proprietorship. Contractor must notify LAHSA immediately of discontinuation or substantial change in the Program.

Agreement to provide LAHSA at least the same defense of suits and payment of claims as would be provided by first dollar commercial insurance.

Agreement to notify LAHSA immediately of any claim, judgment, settlement, award, verdict or change in Contractor's financial condition which would have a significant negative effect on the protection that the self-insurance Program provides LAHSA.

Name, address and telephone number of Contractor's legal counsel and claims representative, respectively, for the self-insurance Program.

Financial statement that gives evidence of Contractor's capacity to respond to claims falling within the self-insured retention or self-insured Program. Resubmission is required at least annually for the duration of the affected operation or more frequently at LAHSA request. Failure to comply will result in withdrawal of LAHSA approval.

The proposed self-insured Program must be approved by LAHSA prior to the start of this Agreement.

Underlying Insurance: Contractor shall be responsible for requiring indemnification and insurance as it deems appropriate from its employees receiving mileage allowance, consultants, agents and subcontractors, if any, to protect Contractor's and LAHSA's interests, and for ensuring that such persons comply with any applicable insurance statutes. Contractor is encouraged to seek professional advice in this regard.

Fidelity Bond: For any losses of money, securities, and other property caused by any fraudulent or dishonest act committed by any employee, board member, officer, partner, shareholder and/or trainee of the Contractor, subject to the following requirements:

Exhibit R (continued)
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The bond shall be a Commercial Blanket Bond, with an approved corporate surety covering all employees, board members, officers, partners, share-holders and/or trainees;

The amount of the bond shall be determined by LAHSA;

The bond shall be limited to this Agreement and shall name LAHSA as loss payee, obligee or additional insured for the purpose of reimbursement of any loss sustained by the action of the Contractor in the performance of this Agreement;

The bond shall cover losses incurred during the period of performance of this Agreement with a discovery period covering no less than one (1) year subsequent to cancellation or other termination of the bond.