Typically, when organizations are entering into a contract with a servicing vendor or having a small construction project completed, a written contract or agreement is signed with the contractor/service provider. Many of these contracts are clearly written in favor of the service provider or small contractor. Unfavorable language typically restricts your and Catholic Mutual’s right to recover damages when the loss or damage was directly caused by the negligence of the contractor/service provider.

In an effort to reduce your exposure to loss or damage caused by a negligent contractor/service provider, the Addendum to Service Contract should be attached to contracts or agreements with contractors/service providers performing work at your facilities. The Addendum to Service Contract should be utilized in the following situations:

1. When your organization enters into an agreement or contract for small contractor jobs that are under $10,000 (or the threshold of your Arch/Diocesan Construction Contract Review Policy). It is also important that your organization verify that these contractors/service providers have liability insurance covering their operations.

2. When your organization enters into an agreement or contract with a company providing maintenance services for fire extinguishers, hood systems, sprinkler systems, elevators, fire alarm systems, security systems, heating/cooling equipment, etc.

3. When your organization enters into an agreement or contract with a soda/snack machine vendor that has machines located in your facilities.

4. When your organization enters into an agreement or contract with a company providing regular maintenance on business equipment such as copy machines, fax machines, computer equipment, etc.

5. Any other agreement similar to those listed above.

By attaching the Addendum to Service Contract to the agreement/contract, you will satisfy needed insurance requirements. If the Addendum to Service Contract is not attached to the agreement or contract with a contractor/service provider, the wording of the addendum should be incorporated into the contract developed by the parish and the contractor/service provider. It is important to always verify that the contractor/service provider has provided a certificate of insurance showing evidence of general liability coverage.

Should you have any questions regarding this information or have questions regarding a specific contract or service agreement, please contact Catholic Mutual at 1-800-228-6108.
ADDENDUM TO SERVICE CONTRACT

GENERAL LIABILITY INSURANCE: While CONTRACTOR/SERVICE PROVIDER is performing operations at PARISH, CONTRACTOR/SERVICE PROVIDER shall maintain general liability insurance in the amount of not less than one million dollars ($1,000,000) per occurrence. It is further agreed that the CONTRACTOR/SERVICE PROVIDER agrees to protect, defend, indemnify, 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 of the CONTRACTOR/SERVICE PROVIDER, or its employees, agents, members, or officers.

WORKER’S COMPENSATION INSURANCE: CONTRACTOR/SERVICE PROVIDER shall maintain worker’s compensation insurance as required by law.

EVIDENCE OF INSURANCE: CONTRACTOR/SERVICE PROVIDER agrees to provide evidence of the above insurance coverage to the PARISH.

NO WAIVER OF SUBROGATION: PARISH does not waive or limit any rights of recovery against the CONTRACTOR/SERVICE PROVIDER for any damages resulting from the negligent acts of the CONTRACTOR/SERVICE PROVIDER associated with the contract. PARISH and CONTRACTOR/SERVICE PROVIDER agree that CONTRACTOR/SERVICE PROVIDER’S financial responsibility is limited to the amount of CONTRACTOR/SERVICE PROVIDER’S liability insurance in the event CONTRACTOR/SERVICE PROVIDER causes damage or loss to PARISH.

CONTRACT OVERRIDE AND SEVERABILITY PROVISION: CONTRACTOR/SERVICE PROVIDER and PARISH agree that this addendum overrides any and all portions of previous agreements between CONTRACTOR/SERVICE PROVIDER and PARISH that contain language in contradiction with this contract. If any portion of this Addendum to Service Contract is deemed or is determined to be in conflict with local or state or national statutes, both CONTRACTOR/SERVICE PROVIDER and PARISH agree that the portion of the Addendum to Service Contract which is in conflict with the statute will be stricken from the Addendum to Service Contract with the remainder of the Addendum to Service Contract remaining binding for both parties.

CONTRACTOR/SERVICE PROVIDER: PARISH:
_______________________________________  ____________________________________
BY:        BY:  (PARISH is understood to include the (Arch)Diocese of _____________)
_______________________________________  ____________________________________
NAME       NAME
_______________________________________  ____________________________________
DATE       DATE
START DATE OF CONTRACT (Understood to be date signed if left blank): ____________________

Instruction to Parish (Parish Use Only): This Addendum to Service Contract stands on its own as a legal contract between PARISH and CONTRACTOR/SERVICE PROVIDER should this addendum not be incorporated or attached to a contract.

(Revised 03/09)