

MODEL LEASE CLAUSE

Require Mold Remediation Contractors to Be Properly Insured

The following clause was drafted by Connecticut attorneys Andrew N. Davis and Catherine K. Lin and by Texas attorney J. Walker Holland. Use it when a tenant is responsible for remediating mold-related hazards in its space.

Paragraph a identifies the insurance policies that any mold remediation contractor must get. Paragraph b requires that you be named as an additional insured on most of those policies.

Paragraph c requires the tenant to have the contractor's insurance agent give you proof that those policies were issued. Paragraph d sets standards for the insurer that issues the policies. Paragraph e sets a maximum deductible for the policies.

Show this clause to your attorney before adding it to your lease.

MOLD REMEDIATION CONTRACTOR'S INSURANCE

- a. Required Coverage.** Tenant shall require any mold remediation contractor to obtain and maintain errors and omissions coverage (where appropriate); contractor's pollution liability insurance coverage; workers' compensation insurance coverage; premises, operations, and completed operations liability coverage; and automobile coverage, all with terms and limits acceptable to Landlord.
- b. Additional Insureds.** Landlord and Tenant shall be listed as additional insureds on all policies except the workers' compensation policy.
- c. Proof of Coverage.** Tenant shall cause the contractor's insurance agent to provide Landlord with evidence of all such coverage and a copy of each endorsement granting Landlord additional insured status.
- d. Insurer's Rating.** Such coverage must be with an insurance company rated at least [*insert letter, e.g., B+*] and be assigned a financial size category of at least Class [*insert Roman numeral, e.g., VII*], as rated in the most recent edition of *Best's Key Rating Guide* for insurance companies, and licensed in the state where the work is to be performed.
- e. Deductible.** The foregoing notwithstanding, no policy can have a deductible amount in excess of \$[*insert amount, e.g., \$25,000*] without Landlord's prior written consent.