

# Negotiating Commercial Contracts – Insurance Words of Wisdom

☒ One of the key insurance policy provisions that is often included in commercial contracts to transfer risk is the requirement that one contracting party make the other contracting party an additional insured on their insurance policy, according a **website post** for SandRun Risk.

The authors discuss the 2013 Insurance Services Office revisions to the standard additional insured endorsement form.

The three significant changes are:

- Insurance provided to an additional insured will apply only to the extent permitted by law
- If additional insured coverage is required in a contract or agreement, the additional insured will not be provided coverage that is any broader than required in that contract or agreement with the named insured
- The limits available to an additional insured will be the lesser of the limits required by contract or available under the policy

**Read the article.**