

STATE OF HAWAII
SPECIAL CONDITIONS

1. Responsibility of Contractors. In order to comply with Section 6, Act 52, HSL 2003, which amended section 103D-310, HRS, the CONTRACTOR shall provide as proof of compliance with the requirements of section 103D-310 (c), HRS, the following documents:
 - a. A tax clearance certificate from the State Department of Taxation and the Internal Revenue Service, subject to section 103D-328, HRS, current within six (6) months of the issuance date;
 - b. A certificate of compliance for chapters 383, 386, 392, and 393, HRS, from the State Department of Labor and Industrial Relations, current within six (6) months from the issuance date; and
 - c. A certificate of good standing from the Business Registration Division of the State Department of Commerce and Consumer Affairs, current within six (6) months from the issuance date.
 - d. Section 103D-310(c) of the HRS was amended by Act 190, HSL 2011, by adding language that if a vendor is participating in Hawaii Compliance Express ("HCE"), State and County procurement personnel are required to verify compliance via HCE. All other vendors are encouraged to subscribe to HCE, but if paper certificates are submitted, the State Procurement Office highly recommends that, State and County personnel contact the issuing agency to verify its validity as there have been fraudulent paper certificates submitted in the past.

2. Final Payment. The Certificate of Vendor Compliance, if any, obtained for final payment is valid for two (2) months.

3. Campaign Contributions by State and County Contractors. Contractors are hereby notified of the applicability of Section 11-355, HRS, which states that campaign contributions are prohibited from specified State or county government contractors during the term of the contract if the contractors are paid with funds appropriated by a legislative body.

4. Insurance. The CONTRACTOR shall obtain, maintain, and keep in force throughout the period of this Contract the following types of insurance:
 - a. General liability insurance issued by an insurance company in the amount of at least ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) for bodily injury and property damage liability arising out of each occurrence and TWO MILLION AND NO/100 DOLLARS (\$2,000,000.00) aggregate.
 - b. Automobile insurance issued by an insurance company in an amount of at least ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) per occurrence.
 - c. Professional liability insurance issued by an insurance company in the amount of at least ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) for liability arising out of each occurrence and TWO MILLION AND NO/100 DOLLARS (\$2,000,000.00) aggregate.

The insurance shall be obtained from a company authorized by law to issue such insurance in the State of Hawaii (or meet Section 431: 8-301, Hawaii Revised Statutes, if utilizing an insurance company not licensed by the State of Hawaii).

For general liability, automobile liability, and professional liability insurance, the insurance coverage shall be primary and shall cover the insured for all work to be performed under the Contract, including changes, and all work performed incidental thereto or directly or indirectly connected therewith. The CONTRACTOR shall maintain in effect this liability insurance until the STATE has certified that the CONTRACTOR's work under the Contract has been completed satisfactorily.

Prior to or upon execution of this Contract, the CONTRACTOR shall obtain a certificate of insurance verifying the existence of the necessary insurance coverage in the amounts stated above. The parties agree that the certificate of insurance shall be attached hereto as Exhibit "C" and be made a part of this Contract.

Each insurance policy required by this Contract shall contain the following clause:
It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy.

The general liability and automobile liability insurance policies required by this Contract shall contain the following clause:

The State of Hawaii and its officers and employees are additional insured with respect to operations performed for the State of Hawaii.

The certificate of insurance shall indicate these provisions are included in the policy.

The CONTRACTOR shall immediately provide written notice to the contracting department or agency should any of the insurance policies evidenced on its certificate of insurance forms be cancelled, limited in scope, or not renewed upon expiration.

If the scheduled expiration date of the insurance policy is earlier than the expiration date of the time of performance under this Contract, the CONTRACTOR, upon renewal of the policy, shall promptly cause to be provided to the STATE an updated certificate of insurance.