

## **SOCIETY POLICY**

### **INSURANCE REQUIREMENTS FOR CONTRACTORS TO ASME**

#### **I. PREFACE**

ASME contracts with many individual consultants, independent contractors, and others providing services to ASME. These individuals and firms, when under contract with ASME, present the potential for insurance claims and litigation against ASME based on acts or omissions by the individuals or firms acting in behalf of ASME or on a caprice of their own.

#### **II. PURPOSE**

- A. To establish guidelines for insurance coverage required of individuals and firms contracting with ASME;
- B. To establish the procedure for implementation; and
- C. To provide guidance in the event this Society Policy requires further clarification.

#### **III. POLICY**

- A. Individual consultants, vendors, and contractors are required to provide proof of insurance because ASME may be exposed to potential liability as a result of the engagement.
- B. These consultants, vendors, and contractors shall provide ASME with relevant certificates of insurance of an amount sufficient and from an insurance provider of sufficient financial strength as determined by the ASME Executive Director and/or Chief Financial Officer, who may utilize the advice of ASME insurance broker, legal counsel, or other professionals as necessary.
- C. Wherever practicable, contracts with consultants, vendors and contractors should provide for indemnification of ASME against liabilities resulting from acts or omissions of such service providers, their employees and agents.
- D. If further clarification of the applicability or requirements of this Policy is required with respect to any activity, the Executive Director or Chief Financial Officer shall be consulted.

Responsibility:           Committee on Finance and Investment  
                                  Transferred from Committee on Legal Affairs: 6/1/05

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