CONTRACTUAL LIABILITY CONSTITUTIONAL AND STATUTORY LIMITATIONS

As a State of Arizona employee, you may have the responsibility to review and/or write contracts and legal agreements. Many agreements begin with a State boilerplate that contains language already approved by the Office of the Attorney General and ADOA Risk Management.

The documents used in a Request for Proposal (Uniform Terms and Conditions) are examples of standard, pre-approved contract language. The use of Special Terms and Conditions, including the "Indemnity and Insurance Modules" approved by this office are also acceptable.

On occasion, you will see non-standard contract language because the contractor or vendor will provide his or her own agreement, rather than a State of Arizona boilerplate. You must question whether such agreements are compliant with ADOA Rules R2-10-301(B) (C) (D).

Any indemnification of an outside party, or any language in any contract or agreement that intends to grant any form of indemnity to an outside party, and/or any obligation to provide "additional insured" status to an outside party could violate Rules.

If you have any questions or need help, contact your Insurance Analyst.