



Insurance Requirements

General insurance coverage

All Mosquito Authority franchisee must be insured in agreement with coverage types, amounts, and the specifications of the franchise agreement, this operations manual, or otherwise in writing; however, it may vary from state to state.

Adequate insurance coverage is a prerequisite to opening the franchise business to the public. TMA Franchise System reserves the right to modify insurance requirements periodically, and the franchisee is required to meet these new requirements.

Such policy or policies shall be written by an insurance company acceptable to the Franchisor at all times during the Initial Term of the Agreement and any Interim Period.

All TMA Franchisee must upload original copies of all insurance policies, certificates of insurance, and proof of payment into Dispatch Plus before opening for business and/or servicing any TMA customer. TMA Franchisee must also upload certificates and endorsements into Dispatch Plus evidencing proper insurance coverage at each of the following events:

- I. At all policy renewals (no less than annually)
- II. Anytime there is a change to, addition to, or replacement of any insurance.

All insurance policies procured and maintained by the franchisee will name TMA Franchise System, Inc. as additional insured (except the workers' compensation policy), will contain endorsements by the insurance companies waiving all rights of subrogation. Also, all policies will stipulate that the franchisor receive copies of all notices of material alteration, termination, cancelation, non-renewal or coverage reduction or elimination.

All TMA Franchisee must have the following insurance coverage.

Comprehensive General Liability insurance: This must include a \$2,000,000 aggregate and \$1,000,000 per occurrence with a deductible of \$1,000 or less. This policy must include an “exterminator’s liability endorsement” (this will supply coverage for pollutions, care, custody & control, and the use of chemicals.)

Commercial Automobile Policy: This policy must include a minimum of a \$500,000 Combined Single Limits (CSL). Must include “All Owned” and “Hired Auto” endorsements.

Employer's Liability, Worker's Compensation and Occupational Disease insurance:

At the time the TMA Franchise Owner hires their first employee. They are required to have Employer's Liability with a limit of \$100,000 in Worker's Compensation insurance and Occupational Disease insurance as well as such other insurance as may be required by statute or rule of the state in which the franchisee operates the franchised business staffed by more than the owner, as required by state law.

Additional requirements and obligations

1) **Obligation to obtain**

Should franchisee, for any reason, fail to procure or maintain the insurance required by this agreement, as described from time to time by the manual or otherwise in writing, franchisor shall have the right and authority (but no obligation) to procure such insurance and to charge same to franchisee, which charges, together with a reasonable fee for franchisor's expenses in so acting, shall be payable by franchisee immediately upon notice from franchisor.

2) **Failure to maintain**

Should the franchisee, for any reason, fail to procure or maintain the insurance required by the franchise agreement, as revised from time to time for all franchisees in the manual, or otherwise in writing, the franchisor shall have the right, at its option, to procure such insurance and to charge the cost to the franchisee, which charges, together with a reasonable fee for the franchisor's expenses in so acting, shall be payable by the franchisee immediately upon the franchisee's receipt of written notice.

State Licensing

TMA Franchisee must obtain all required licenses and permits and ensure that your employees and others providing pest elimination and control services to customers on behalf of your Outdoor Pest Control Business have all required licenses and permits. The failure to maintain the proper licensing and permits is a material breach of the Franchise Agreement.

All TMA Franchisee must upload original copies of required licenses and permits into Dispatch Plus before opening for business and/or servicing any TMA customer. TMA Franchisee must also upload required licenses and permits into Dispatch Plus at the time renewal.