Appendix B
COMPARISON OF BUILDERS RISK INSURANCE REQUIREMENTS

Builders Risk Contract Requirements	AIA A201 (2007) Section 11.3	ConsensusDOCS 300 (2007) Section 21.4	EJCDC C700 (2007) Section 5.06-10	DBIA 535 (2009) Section 5.3
A. General Responsibilities of Owner				
1. Insurance procurement	11.3.1	21.4.1	5.06.A	5.3.1
2. Payment of premiums	11.3.1(1)	21.4.1(1)	5.06.A(1)	5.3.1(1)
3. Payment of deductibles	11.3.1.3	21.4.1(2)	5.06.D. Paid by contracter/ subs suffering loss	5.3.1
4. Adjust/settle claims with insurer(s)	11.3.8, 11.3.10	No provision	5.08	5.3.4 (with Design Builder)
5. Provide claims proceeds to others as per their respective interests	11.3.8	No provision	5.08	5.3.4 (with Design Builder)
6. Provide a bond following a loss (upon request)	11.3.9	No provision	5.08.B	No provision
7. Provide a copy of the required property policy to Contractor	11.3.6	21.4.1	5.03.B Certificate of Insurance only	5.3.3 Certificate of Insurance and Endorsements
B. Builders Risk Insurance Requirements				
1. Policy Form				
— Builders risk or equivalent form	11.3.1, 11.3.1.1	21.4.1	5.06.A.2(3)	5.3.1 "property insurance"
— Covers physical loss or damage	11.3.1.1	21.4.1	5.06.A.2	5.3.1
continued				

Builders Risk Contract Requirements	AIA A201 (2007) Section 11.3	ConsensusDOCS 300 (2007) Section 21.4	EJCDC C700 (2007) Section 5.06-10	DBIA 535 (2009) Section 5.3
2. Required Insured Perils/ Causes of Loss				
— All risk including:	11.3.1.1	21.4.1	5.06.A.2	5.3.1 "broadest coverage commercially available" including:
– Fire	11.3.1.1	21.4.1	5.06.A.2	5.3.1
– Extended coverage	11.3.1.1	(4)	5.06.A.2	5.3.1
– Lightning	(5)	21.4.1	5.06.A.2	No provision
– Explosion	11.3.1.1(6)	21.4.1	5.06.A.2(6)	5.3.1(6)
– Windstorm	11.3.1.1	21.4.1	5.06.A.2(6)	5.3.1(6)
– Hail	11.3.1.1(6)	21.4.1	5.06.A.2(6)	5.3.1(6)
– Smoke	11.3.1.1(6)	21.4.1	5.06.A.2(6)	5.3.1(6)
– Aircraft	11.3.1.1(6)	21.4.1(7)	5.06.A.2(6)	5.3.1(6)
– Vehicles	11.3.1.1(6)	21.4.1	5.06.A.2(6)	5.3.1(6)
– Riot	11.3.1.1(6)	21.4.1	5.06.A.2(6)	5.3.1(6)
– Civil commotion	11.3.1.1(6)	21.4.1	5.06.A.2(6)	5.3.1(6)
– Theft	11.3.1.1	21.4.1	5.06.A.2	5.3.1
– Vandalism	11.3.1.1	21.4.1	5.06.A.2	5.3.1
– Malicious mischief	11.3.1.1	21.4.1	5.06.A.2	5.3.1
– Debris removal	11.3.1.1	21.4.1	5.06.A.2	5.3.1
– Collapse	11.3.1.1	21.4.1 (however caused)	5.06.A.2	5.3.1
– Earthquake	11.3.1.1	21.4.1	5.06.A.2	5.3.1
– Earth movement	No provision	21.4.1	No provision	No provision
– Flood	11.3.1.1	21.4.1	No provision	5.3.1
– Water damage	No provision	21.4.1	5.06.A.2	No provision
– Wind	11.3.1.1(6)	21.4.1	5.06.A.2(6)	5.3.1(6)
continued				

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– Testing and startup	11.3.1.1	21.4.1 (if applicable)	5.06.A.6	No provision
– Terrorism	No provision	21.4.1	No provision	No provision
– Defective design (resulting damage)	No provision	21.4.1	No provision	No provision
– Defective workmanship (resulting damage)	No provision	21.4.1	No provision	No provision
– Defective material (resulting damage)	No provision	21.4.1	No provision	No provision
3. Required Subjects of Insurance	No provision	No provision	No provision	No provision
— Work on site	11.3.1	21.4.1	5.06.A2	5.3.1.
— Falsework	11.3.1.1	21.4.1(8)	5.06.A2	5.3.1(8)
— Temporary buildings	11.3.1.1	21.4.1(8)	5.06.A2	5.3.1(8)
— Work stored off the project site	11.3.1.4	21.4.1(8)	5.06.A.4 (if owner agrees)	5.3.1 (if owner agrees)
— Work while in transit	11.3.1.4	21.4.1(8)	5.06.A.2	5.3.1
— Costs of removing debris	11.3.1.1	21.4.1	5.06.A.2	5.3.1
— Costs of demolition due to enforcement of legal requirements	11.3.1.1	No provision	5.06.A.2	No provision
— Costs of reasonable architects' and contractors' fees and expenses due to insured loss	11.3.1.1	No provision	5.06.A.3	5.3.1(9)
4. Required Insured Amounts				
— Contract sum	11.3.1	21.4.1	5.06.A.	5.3.1.
— Change orders	11.3.1	21.4.1	5.06.A.	5.3.1.
— Materials supplied/ installed by others	11.3.1	21.4.1 (if part of Project)	5.06.A. (if part of the Work)	5.3.1. (if part of the Project)

continued

Builders Risk Contract Requirements	AIA A201 (2007) Section 11.3	ConsensusDOCS 300 (2007) Section 21.4	EJCDC C700 (2007) Section 5.06-10	DBIA 535 (2009) Section 5.3
— Total value of the project at the site	11.3.1	21.4.1	No provision	5.3.1.
— Off site storage	Silent	Silent	Silent	Silent
— Off site in transit	Silent	Silent	Silent	Silent
— Replacement cost valuation	11.3.1	21.4.1 (at time of loss)	5.06.A.	5.3.1 (full insurable value)
5. Required Insurance Duration				
— Before exposure to a loss can occur	11.3.6	No provision	No provision	No provision
— Before start of the work		21.4.1	No provision	5.3.3
— Until final payment has been made	11.3.1[10]	21.4.1[11]	5.06.A.7	5.3.3
— Until no person/entity other than the owner has an insurable interest in the property	11.3.1[10]	21.4.1[11]	No provision	No provision
6. Required Protected Parties	"Interests…in the Project"	"As Named Insureds"	"As Loss Payees"[12]	"As Additional Insureds"
— Owner	11.3.1	21.4.1	5.06.A.1	5.3.1
— Contractor	11.3.1	21.4.1	5.06.A.1	5.3.1[13]
— Subcontractor	11.3.1	21.4.1	5.06.A.1	5.3.1
— Sub-subcontractors	11.3.1	21.4.1	5.06.A.1	5.3.1
— Materials suppliers	No provision	21.4.1	No provision	No provision
— Designers	No provision	21.4.1[14]	No provision	5.3.1[15]
— Engineers	No provision	21.4.1[14]	5.06.A.1	5.3.1[15]
— Directors, officers, members, employees, partners, agents, consultants and subcontractors of foregoing	No provision	21.4.1[14]	5.06.A.1	No provision
continued				

Builders Risk Contract Requirements	AIA A201 (2007) Section 11.3	ConsensusDOCS 300 (2007) Section 21.4	EJCDC C700 (2007) Section 5.06-10	DBIA 535 (2009) Section 5.3
7. Other Requirements				
— Partial occupancy may not commence until insurers have consented	11.3.1.5	21.4.1	5.06.A.5, 5.10.A	5.3.3
— Insurer must be authorized in the jurisdiction where the project is located	11.3.1	No provision	5.02.A	5.3.1
— The waiver of subrogation provision must be recognized by the insurance policy	11.3.5, 11.3.7	21.4.1	5.07.A	No provision
— 30 days advance written notice of intended cancellation, non-renewal or limits reduction	11.3.6	No provision	5.06.C(16)	5.3.3
8. Penalties for Failure to Procure Required Insurance				
— If Contractor is damaged the Owner shall bear all reasonable costs attributed thereto	11.3.1.2(17)	21.4.2	5.09.A(18)	No provision
C. Other Insurance Requirements				
1. Boiler and Machinery				
— If required by the contract documents or law	11.3.2	No provision	5.06.B	5.3.2
— Coverage is to apply to objects during installation and until final acceptance by Owner	11.3.2	No provision	No provision	5.3.2, 5.3.3 (until final payment)
— Must include interests of owner, contractor, subcontractors and sub-subcontractors	11.3.2	No provision	5.06.B (incl. "Engineer")	5.3.2(19)
continued				

Builders Risk Contract Requirements	AIA A201 (2007) Section 11.3	ConsensusDOCS 300 (2007) Section 21.4	EJCDC C700 (2007) Section 5.06-10	DBIA 535 (2009) Section 5.3
— Must include directors, officers, members, employees, partners, agents, consultants and subs of foregoing	No provision	No provision	5.06.B	No provision
— Must include owner and contractor as named insureds	11.3.2	No provision	No provision	No provision
D. Waiver of Subrogation				
1. General Provisions				
— Mutual type agreement	11.3.7	21.4.3	5.07.A	5.3.5
— Applicable to the extent covered by required builders risk insurance	11.3.7	21.4.3	5.07.A	5.3.5
— Applicable to the extent covered by other property insurance applying to the work	11.3.7	No provision	5.07.A	5.3.5 (only boiler policy)
— Applicable to separate owner's loss of use insurance (if purchased)	11.3.3	No provision	5.07.B.1,[20] 5.07.C.	No provision
— Applicable to separate owner's insurance covering adjacent buildings/contents	11.3.5	21.4.4[21]	5.07.B.2	No provision
— Applicable to insurance which replaces the required builders risk insurance after final completion of the project.	11.3.5	No provision	5.07.B.2[22]	No provision

Footnotes:

(1) Since owner must secure the policy it is inferred the owner must pay the premium.

(2) Including coinsurance penalties

(3) A builders risk policy is required. There is no provision allowing an "equivalent policy."

(4) "Extended Coverage" is not required by name. However, the perils set forth by an extended coverage endorsement are specifically required.

(5) This peril is generally considered to be part of the required 'all risk" policy, but is not technically required to be insured by 11.3.1.1.

(6) These perils are considered to be part of the required "Extended Coverage."

(7) But no coverage is required for damage to the project caused by aircraft/helicopters operated by or on behalf of contractor.

(8) Coverage is required on the entire "Project" as defined in the contract documents.

(9) Coverage is required for professional fees, overtime premiums and all other expenses incurred to replace or repair the Project.

(10) Until the later of final payment or no person/entiy other than owner has an insurable interest.

(11) Until the sooner of final payment or no person/entiy other than owner has an insurable interest.

(12) Also see 5.07.A.

(13) Design Builder

(14) "Designer" means the architect, designer or engineer identified in Article 1 and its representative and consultants.

(15) Design Consultants are to be additional insureds.

(16) To owner, contractor and each loss payee to whom a certificate has been issued.

(17) To contractor.

(18) If owner or contractor has any objection to the coverage afforded on the basis of non-conformance with the requirments, the objecting party must notify the other party in writng within 10 days of receiving the certificates of insurance or other documentation. If the non-conformance is not corrected, and without prejudice to any other remedy, the objecting party may secure additional insurance at the expense of the other party.

(19) Including Design Builder and Consultants.

(20) The waiver of subrogation applies regardless if owner purchases insurance or not.

(21) To the extent of stated general liability limits or otherwise agreed limits in the Contract Documents, Contractor indemnifies and holds owner harmless from claims from damage to owner's adjacent property, caused by negligent acts of constructor, subcontractors or anyone they are responsible for.

(22) Also applies during partial utilization, after substantial completion and after payment.