

subcontractors to the extent any loss to the Owner would have been covered by insurance had it not expired or been canceled. If the Contractor purchases replacement coverage, the cost “shall be charged to the Owner” by a Change Order. Furnishing such notice by the Owner does not relieve the Owner of any obligation to provide any required coverage.

Required Period of Insurance

A201TM-2007 §11.3.1 required the Owner to maintain property insurance until the latter of

- Final payment being made; or
- No person or entity other than the Owner has an insurable interest in the property.

Exhibit A §A.2.3.1.3 requires the Owner to maintain property insurance until Substantial Completion and thereafter continue or replace with property insurance written for the total value of the Project until expiration of the period for correction of the Work (which is 1 year unless otherwise specified in A201TM-2017 §12.2.2).

Optional Property Insurance for the Owner

Exhibit A §A.2.4 lists several types of insurance the parties may wish to require the Owner to maintain. These include:

- *Loss of Use, Business Interruption, and Delay in Completion.* Coverage for loss of use of the Owner’s property or the inability to conduct normal operations due to a covered cause of loss.
- *Ordinance or Law Insurance.* Coverage for reasonable and necessary costs to satisfy the minimum requirements of the enforcement of any law or ordinance regulating the demolition, construction, repair, replacement, or use of the Project.
- *Expediting Cost Insurance.* Coverage for reasonable and necessary costs for temporary repair of damage to insured property and to expedite the permanent repair or replacement of damaged property.
- *Extra Expense Insurance.* Reimbursement for reasonable and necessary excess costs incurred during the period of restoration or repair of damaged property that are over and above the total costs that would normally have been incurred during the same period of time had no loss or damage occurred.
- *Civil Authority Insurance.* Losses or costs arising from an order of a civil authority prohibiting access to the Project, provided such order is the direct result of physical damage covered under the required property insurance.
- *Ingress/Egress Insurance.* Loss due to the necessary interruption of the insured’s business due to physical prevention of ingress to, or egress from, the Project as a direct result of physical damage.
- *Soft Costs Insurance.* Costs due to delay of completion of the Work arising out of physical loss or damage covered by the required property insurance, including construc-

tion loan fees; leasing and marketing expenses; additional fees, including those of architects, engineers, consultants, attorneys, and accountants, needed for the completion of the construction, repairs, or reconstruction; and carrying costs such as property taxes, building permits, additional interest on loans, realty taxes, and insurance premiums over and above normal expenses.

Exhibit A §A.2.5 allows the parties to require the Owner to maintain Cyber Loss Insurance for loss to the Owner due to data security and privacy breach, including costs of investigating a potential or actual breach of confidential or private information. It also contains a fill point to allow the parties to list any other types of insurance the Owner is to maintain.

Liability Insurance for the Owner

Both A201TM-2017 §11.2 and Exhibit A §A.2.2 require the Owner to maintain “the Owner’s usual general liability insurance.” However, neither document explains what “usual” means, and no other provision specifies the types of liability coverage or limits that the Owner must maintain.

Contractor’s Required Coverages

A201TM-2007 §11.1.1 and Exhibit A §A.3.2 list several types of insurance that the Contractor must maintain:

- Commercial General Liability (CGL);
- Automobile Liability;
- Workers’ Compensation; and
- Employers’ Liability.

See Exhibit A §§A.3.2.1–A.3.2.6.

Exhibit A §§A.3.2.7–A.3.2.12 add that if the nature of the work involves specified risks, the Contractor is also required to purchase insurance for:

- Jones Act and Longshore & Harbor Workers’ Compensation Act liabilities;
- Professional Liability;
- Pollution Liability;
- Maritime Liability; and
- Coverage for use or operation of manned or unmanned aircraft.

All of the required policies must be maintained until expiration of the period for correction of the work, which is usually 1 year after substantial completion.

Contractor’s Optional Coverages

Exhibit A §§A.3.3.2.1–A.3.3.2.6 list other coverages that the parties may require the Contractor to maintain, including:

- Railroad Protective Liability;
- Asbestos Abatement Liability;
- Inland Marine coverage for physical damage to property while in storage or transit; and