



AIA[®] Document A142[™] – 2004 Exhibit E

Insurance and Bonds

for the following PROJECT:
(Name and location or address)

THE DESIGN-BUILDER:
(Name, legal status and address)

THE CONTRACTOR:
(Name, legal status and address)

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Consultation with an attorney is also encouraged with respect to professional licensing requirements in the jurisdiction where the Project is located.

ARTICLE E.1 INSURANCE

§ E.1.1 The Contractor shall purchase and maintain insurance of the types, with limits of liability, containing such endorsements and subject to such terms and conditions, as follows:

(Specify each type of insurance, applicable limits and deductible amounts, required endorsements, and other terms and conditions, as applicable.)

§ E.1.2 The insurance required by Section E.1.1 shall be written for not less than limits of liability specified in the Contract Documents or required by law, whichever coverage is greater. Coverages, whether written on an occurrence or claims-made basis, shall be maintained without interruption from date of commencement of the Work until date of final payment and termination of any coverage required to be maintained after final payment.

§ E.1.3 Certificates of insurance acceptable to the Design-Builder shall be filed with the Design-Builder prior to commencement of the Contractor's Work. These certificates and the insurance policies required by this Exhibit E shall contain a provision that coverages afforded under the policies will not be cancelled or allowed to expire until at least 30 days' prior written notice has been given to the Design-Builder. If any of the foregoing insurance coverages are required to remain in force after final payment and are reasonably available, an additional certificate evidencing continuation of such coverage shall be submitted with the final Application for Payment as required by Section 5.5 of the Agreement and Section A.9.10 of Exhibit A, Terms and Conditions. If any information concerning reduction of coverage is not furnished by the insurer, it shall be furnished by the Contractor with reasonable promptness according to the Contractor's information and belief.

§ E.1.4 The Design-Builder shall furnish to the Contractor satisfactory evidence of insurance required of the Design-Builder under the agreement between the Design-Builder and the Owner.

§ E.1.5 A loss insured under Owner's property insurance shall be adjusted by the Owner as fiduciary and made payable to the Owner as fiduciary for the insureds, as their interests may appear, subject to requirements of any applicable mortgagee clause and of the Design-Build Documents. The Design-Builder shall pay Contractor its just share of insurance proceeds received by the Design-Builder, and shall require Contractor to make payments to its Subcontractors in similar manner.

§ E.1.6 PROPERTY INSURANCE

§ E.1.6.1 When requested in writing, the Design-Builder shall provide the Contractor with copies of the property and equipment policies in effect for the Project. The Design-Builder shall notify the Contractor if the required property insurance policies are not in effect. If such property and equipment policies are to be provided by the Owner, the Design-Builder shall request copies thereof from the Owner and shall forward them to the Contractor upon receipt.

§ E.1.6.2 If the required property insurance is not in effect for the full value of the Contractor's Work, then the Contractor shall purchase insurance for the value of the Contractor's Work, and the Contractor shall be reimbursed for the cost of the insurance by an adjustment in the Contract Sum.

§ E.1.6.3 Property insurance for the Contractor's materials and equipment required for the Contractor's Work, stored off site or in transit and not covered by the Project property insurance, shall be paid for through the application for payment process.

§ E.1.7 WAIVERS OF SUBROGATION

§ E.1.7.1 The Design-Builder and Contractor waive all rights against (1) each other and any of their subcontractors, sub-subcontractors, agents and employees, each of the other, and (2) the Owner, the Architect, the Architect's consultants, separate contractors, and any of their sub-contractors, sub-subcontractors, agents and employees for damages caused by fire or other causes of loss to the extent covered by property insurance provided under the agreement between the Design-Builder and the Owner or other property insurance applicable to the Work, except such rights as they may have to proceeds of such insurance held by the Owner as a fiduciary. The Contractor shall require of the Contractor's Subcontractors, agents and employees, by appropriate agreements, written where legally required for validity, similar waivers in favor of the parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

ARTICLE E.2 SURETY BONDS

§ E.2.1 The Contractor shall provide surety bonds as follows:
(Specify type and penal sum of bonds.)

Type

Penal Sum (\$0.00)

§ E.2.2 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Agreement, the Contractor shall promptly furnish a copy of the bonds or shall permit a copy to be made.