

**Exhibit 8D – Standard Insurance Coverage**  
**SUPPLEMENT TO ARTICLE 12 OF AGREEMENT**

**12.1 UNIVERSITY CONTROLLED INSURANCE PROGRAM AND OTHER INSURANCE REQUIREMENTS**

12.1.1 Overview. Except as limited by the provisions of this Article 12.1, the University shall pay for, obtain and maintain a University Controlled Insurance Program (“UCIP”) providing workers’ compensation and employer’s liability insurance coverage, commercial general liability insurance coverage, and excess liability insurance coverage, to persons and entities enrolled in the UCIP, for Work performed on or at the Project Site. Persons and entities eligible for such coverage (see Article 12.1.2), including Design Builder and all Subcontractors, unless excluded under Article 12.1.5, will be required to enroll in the UCIP. Once enrolled, the UCIP will provide coverage as defined herein until the earliest of the following: the date on which University makes final payment to Design Builder, the date a Notice of Cessation is filed for the Contract, or the date the Contract is terminated pursuant to Article 16. Additionally, all enrolled eligible Design Builders and Subcontractors, will be required to obtain their own business automobile liability insurance for all Work (on and off site), as well as their own commercial general liability coverage and workers’ compensation and employer’s liability insurance for their Work not covered by the UCIP (see Article 12.1.10); Excluded Parties and Eligible Parties who are not enrolled must also obtain business automobile liability insurance, workers’ compensation and employer’s liability insurance, and commercial general liability insurance for all Work (on and off site) (see Article 12.1.10). The UCIP shall be administered by the UCIP Administrator identified in the UCIP Insurance Manual. Pursuant to Article 4.4 of the Agreement, all communications concerning the UCIP shall be through the University Representative except that written communications between the UCIP Administrator, Design Builder, Subcontractors, eligible, enrolled and excluded parties are authorized as follows:

- .1 For the purpose of obtaining copies of any UCIP insurance policies, the *UCIP Insurance Manual* and the *UCIP Safety Standards Manual*.
- .2 For the purpose of obtaining any certificates of insurance required by this Article 12.
- .3 For the purpose of verifying that Design Builder, Subcontractors, eligible parties, enrolled parties and excluded parties have obtained and maintained any insurance required by this Article 12.
- .4 For the purpose of enrolling any party in the UCIP.

12.1.2 Eligible Parties and Enrolled Parties: Except as provided in Article 12.1.5, each of the following, who will perform any labor at the Project Site, are an “Eligible Party:” Design Builder, all Subcontractors of all tiers, and such other persons or entities as University may designate, in its sole discretion. Upon receipt of written acknowledgement of enrollment from the UCIP Administrator, an Eligible Party becomes an “Enrolled Party.” UCIP coverage for Work performed at an off site location will not be provided to any party that does not perform any labor at the Project site and/or who is not enrolled, and the off site Work of such parties will not be treated as on site Work pursuant to Article 12.1.1.

12.1.3 Except as provided in Article 12, Enrolled Parties shall not obtain or maintain workers’ compensation and employer’s liability insurance, commercial general liability insurance, or excess liability insurance for their Work performed at the Project site. Notwithstanding the preceding sentence, Enrolled Parties may obtain, at their own cost:

- .1 Excess liability insurance over and above the UCIP Coverages; and

.2 Insurance to Cover Design Builder's obligations set forth in Article 12.1.9.8

12.1.4 Eligible Parties (unless excluded under Article 12.1.5) shall not include in their Proposal for any Work to be performed at the Project Site any projected or actual cost to provide the workers' compensation and employer's liability insurance, commercial general liability insurance, and excess liability insurance that is being provided under the UCIP. Further, Enrolled Parties (unless excluded under Article 12.1.5) shall not include in any change order request, claim or other request or demand for payment or compensation for Work to be performed, or that was performed, at the Project site any projected or actual cost to provide workers' compensation and employer's liability insurance, commercial general liability insurance, and excess liability insurance that is being provided under the UCIP. The University may reduce the Contract Price by an amount commensurate with any projected or actual costs included contrary to the requirements of this Article 12.1.4

12.1.5 Excluded Parties and Their Insurance Obligations. The UCIP Coverages do not cover the following "Excluded Parties:"

- .1 Contractors whose Work includes demolition by means of blasting techniques or wrecking ball;
- .2 Contractors whose Work includes hazardous materials remediation, removal and/or transport companies and their consultants;
- .3 Architects, surveyors, engineers, and soil testing engineers, and their consultants (except for architects, surveyors, engineers and soil testing engineers that are employees of Contractor or Subcontractor);
- .4 Vendors, suppliers, material dealers, manufacturing representatives, truckers, haulers, drivers, common carriers, equipment rental companies who perform equipment maintenance (does not apply to those who erect or install such rented equipment at the jobsite, or provide operators) and others who do not perform Work at the Project Site or who merely transport, pick up, deliver, or carry materials, personnel, parts or equipment, or any other items or persons to or from the Project site;
- .5 Persons or Entities who are not an Eligible Party who are enrolled in the UCIP; and
- .6 Any other person or entity that the University, acting in its sole discretion, elects to exclude, even if otherwise eligible.

Excluded Parties and Eligible Parties that are not enrolled in the UCIP shall obtain and maintain the insurance coverage specified in Article 12.1.10.

12.1.6 UCIP Insurance Policies Establish the UCIP Coverages. University will provide its standard UCIP insurance coverages, subject to the deductibles, terms and conditions, exclusions, and limitations contained in the provisions of the standard UCIP policies. The UCIP Administrator shall make copies of the UCIP insurance policies available to any Eligible Party or Enrolled Party requesting to review such copies in writing. Pursuant to Civil Code section 2782.96, any Eligible Party or Enrolled Party receiving copies of the policies shall not disclose the policies to third parties other than to the Eligible Party's or Enrolled Party's insurance broker or attorney unless required to do so by law; the Eligible Party's or Enrolled Party's insurance broker or attorney may not disclose the policies to any third party unless required to do so by law. The summary descriptions of the UCIP Coverages in this Article 12, or elsewhere, are not intended to be complete or to alter or amend any provision of the actual UCIP Coverages. In the event that any provision of this Article, the Contract Documents, or elsewhere, conflicts with the UCIP insurance policies, the provisions of the actual UCIP insurance policies shall govern. The University's provision of its standard UCIP insurance policies meets the University's obligation to provide UCIP insurance under the Contract and, in the event of a conflict between the provisions of the policies and any summary or description of the provisions contained herein or

otherwise, the provisions of the policy shall control and shall be conclusively presumed to fulfill the University's obligation to provide UCIP insurance.

12.1.7 Summary of UCIP Coverages. UCIP Coverages shall apply only to the Work of each Enrolled Party performed on or at the Project Site, and only to Enrolled Parties that are eligible for the UCIP. UCIP coverages shall not apply to ineligible parties, even if they are erroneously enrolled in the UCIP. The UCIP shall provide only the following insurance to eligible and Enrolled Parties (this is only a summary):

.1 Workers' Compensation Insurance: Statutory Limit  
This insurance is primary for all covered occurrences performed at University designated locations in California

.2 Employer's Liability Insurance:  
Bodily Injury by Accident, each accident \$1,000,000  
Bodily Injury by Disease, each employee \$1,000,000  
Bodily Injury by Disease, policy limit \$1,000,000

This insurance is primary for all occurrences at the Project Site.

.3 Commercial General Liability Insurance

ISO Occurrence Form, or its equivalent:

Each Occurrence Limit \$2,000,000  
General Annual Aggregate Limit \$4,000,000  
Completed Operations Aggregate \$4,000,000

Ten (10) Years Products & Completed Operations Extension

This insurance is primary for all occurrences at the Project Site.  
Aggregate limits specified are shared by all Enrolled Parties for all Projects insured for the campus and any associated medical center.

.4 Excess Liability Insurance

(Over Employer's Liability & General Liability):

Combined Single Limit \$100,000,000  
General Aggregate \$100,000,000  
Products & Completed Operations Aggregate \$100,000,000

Ten (10) Years Products & Completed Operations Extension

Aggregate limits specified are shared by all Enrolled Parties for all Projects insured for the campus and any associated medical center.

Exhibit 1A, entitled *UCIP Coverage Summary*, contains a summary of the policy limits, the term of the policy, and any known exclusions to the coverages described in this Article 12.1.7. Design Builder, in the event of a loss, shall be responsible for the amounts set forth in Article 12.1.9 herein.

12.1.8 University's Insurance Obligations.

.1 University shall pay the costs of premiums for the UCIP coverages.

- .2 University will receive or pay, as the case may be, all adjustments to such costs, whether by way of dividends, retroactive adjustments, return premiums, other moneys due, audits or otherwise. Design Builder hereby assigns to University the right to receive all such adjustments, and shall require each of its Subcontractors of every tier to assign to University the right to receive all such adjustments.
- .3 University's obligation to obtain insurance under the UCIP shall not relieve or limit, or be construed to relieve or limit, Design Builder or any of its Subcontractors of any tier of any responsibility, liability, or obligation imposed by the Contract Documents, the UCIP insurance policies, or by law, including, without limitation, any indemnification obligations which Design Builder or any of its Subcontractors have to University.
- .4 University reserves the right at its option, without obligation to do so, to furnish other insurance coverage of various types and limits provided that such coverage is not less than that provided at the time of enrollment.

#### 12.1.9 Design Builder's UCIP Obligations.

- .1 Design Builder shall require that the terms of this Article 12 be incorporated into all Subcontractor agreements.
- .2 Design Builder shall enroll in the UCIP within five (5) days of the execution of the Contract (and prior to its commencement of Work at the Project site) and maintain enrollment in the UCIP until the coverage terminates pursuant to Article 12.1.1.
- .3 Design Builder shall assure that each of Design Builder's eligible Subcontractors of every tier enroll in the UCIP within five (5) days of subcontracting (and prior to the Subcontractor's commencement of Work at the Project site), and maintain enrollment in the UCIP until the coverage terminates pursuant to Article 12.1.1.
- .4 Design Builder shall comply with all of the administrative, safety, insurance, and other requirements outlined in this Article, the UCIP Insurance Manual, the UCIP Safety Standards Manual, or elsewhere in the Contract Documents.
- .5 Design Builder agrees that the University and the UCIP Administrator are not agents, partners or guarantors of the insurance companies (hereinafter "UCIP Insurer") providing coverage under the UCIP, that neither University nor the UCIP Administrator are responsible for any claims or disputes between or among Design Builder, its Subcontractors of any tier, and any UCIP Insurer(s), and that neither University nor UCIP Administrator guarantees the solvency or the availability of limits of any UCIP Insurer(s). Any type of insurance coverage or limits of liability in addition to the UCIP Coverages that Design Builder or its Subcontractors of any tier require for its or their own protection, or that is required by applicable laws or regulations, shall be Design Builder's or its Subcontractors' sole responsibility and expense.
- .6 Design Builder shall cooperate fully with the UCIP Administrator and the UCIP Insurers, as applicable, in its or their administration of the UCIP.
- .7 Design Builder shall comply, and require all of its Subcontractors to comply, with UCIP Administrator's instructions for electronically enrolling in the UCIP and for electronically reporting payroll.
- .8 In the event of a Commercial General Liability loss covered by the UCIP, Design Builder shall pay to the University an amount as set forth below. Payment pursuant to the preceding sentence shall not in any way limit the liability of Contractor to University or otherwise. The

amount to be paid, which is based on the Contract Price of the Design Builder’s Contract, at the time of loss, is as follows:

<u>Contract Sum at the Time of Loss</u>	<u>Amount to be Paid (Per Occurrence)</u>
\$2,500,000 or Less	\$ 10,000
\$2,500,001 to \$10,000,000	\$ 15,000
\$10,000,001 to \$25,000,000	\$ 25,000
\$25,000,001 to \$50,000,000	\$ 50,000
\$50,000,001 to \$75,000,000	\$ 75,000
\$75,000,001 or more	\$ 100,000

**12.1.10 Additional Insurance Required from Design Builder, Enrolled Parties, Eligible Parties that are not enrolled, and Excluded Parties.** Design Builder shall, at its expense, purchase and maintain, and shall require all Enrolled Parties, all Eligible Parties that are not enrolled, and all Excluded Parties, at their expense, to purchase and maintain, the insurance policies and coverages specified in this Article 12.1.10.

.1 Policies and coverages.

- .1 Commercial Form General Liability Insurance covering all Work done by or on behalf of Design Builder, all Enrolled Parties, all Eligible Parties that are not enrolled, and all Excluded Parties and providing insurance for bodily injury, wrongful death, personal injury, property damage, and contractual liability. Except with respect to bodily injury and property damage included within the products and completed operations hazards, the aggregate limit shall apply separately to Work of Design Builder, all Enrolled Parties, all Eligible Parties that are not enrolled, and all Excluded Parties. If the insurance under this Article 12.1.10.1.1 is written on a claims-made form, coverage shall continue for a period of not less than 3 years following the earliest of the following: the Project attains final completion as defined in Article 8.9.1, the date a Notice of Cessation is filed for the Contract, or the date the Contract is terminated pursuant to Article 16. Coverage shall provide for a retroactive date of placement prior to or coinciding with the effective date of this Contract. Commercial Form General Liability Insurance for Enrolled Parties is required only for Work performed off the Project site that has not been disclosed to the UCIP Administrator and scheduled on the UCIP policies, and all work performed during Phases 1 and 2 Pre-Construction Services. Commercial Form General Liability Insurance for Eligible Parties that are not enrolled, and for Excluded Parties, shall apply to all Work (both on and off the Project Site). The limits for all Commercial Form General Liability Insurance shall not be less than the following:

	Enrolled* / Excluded
Each Occurrence	\$2,000,000 / \$2,000,000
General Aggregate	\$2,000,000 / \$4,000,000
Products/Completed Operations Aggregate	\$2,000,000 / \$4,000,000
Personal/Advertising Injury Aggregate	\$1,000,000 / \$2,000,000
Ten (10) Years Products/Completed Operations Extension	

- .2 Business Automobile Liability Insurance on an “Occurrence” form covering owned, hired, leased, and non-owned automobiles used by or on behalf of Insured and providing insurance for bodily injury and property damage, with a combined single limit of not less than \$1,000,000 bodily injury, \$1,000,000 property damage, and with

a \$1,000,000 policy limit. The Business Automobile Liability Insurance shall be provided by Design Builder, Enrolled Parties, Eligible Parties that are not enrolled, and Excluded Parties for all on site and off site Work.

- .3 Workers' Compensation and Employer's Liability Insurance as required by Federal and State of California law. Workers' Compensation and Employer's Liability Insurance required by this Article 12.1.10.1.3 shall be provided by Design Builder and Enrolled Parties only for Work performed off the Project site that has not been disclosed to the UCIP Administrator and scheduled on the UCIP policies. Workers' Compensation and Employer's Liability Insurance required by this Article 12.1.10.1.3 shall be provided by Eligible Parties that are not enrolled, and Excluded Parties for all on site and off site Work.
- .4 **Professional Liability Insurance** to insure Design Builder's activities in connection with this Contract. If the insurance under this Article 12.1.10.1.4 is written on a claims-made basis, it shall be maintained continuously for a period no less than three (3) years following termination of this Contract or Final Completion, whichever occurs later. The insurance shall have a retroactive date of placement prior to or coinciding with the date services are first provided that are governed by the terms of this Contract and shall include, without limitation coverage for professional services as called for in this Contract. The limits of liability for the Professional Liability Insurance shall be no less than the following:

Each Occurrence	\$5,000,000
General Aggregate	\$5,000,000

- .5 The insurance required by Article 12.1.10.1.1 (Commercial Form General Liability Insurance) and Article 12.1.10.1.2 (Business Automobile Liability Insurance) shall be (i) issued by companies with a Best rating of A- or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor's or Moody's) or (ii) guaranteed, under terms consented to by the University (such consent to not be unreasonably withheld), by companies with a Best rating of A or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor's or Moody's).

The insurance required by Article 12.1.10.1.3 (Workers' Compensation And Employer's Liability Insurance) shall be issued by companies (i) that have a Best rating of B+ or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor's or Moody's); or (ii) that are acceptable to the University.

The insurance required by Article 12.1.10.1.4 (Professional Liability Insurance) shall be issued by companies (1) that have the Best Rating of A or better (or an equivalent rating by Standard & Poor's or Moody's) or (ii) are acceptable to the University.

- .6 The Design Builder shall obtain, either itself or through the applicable Subcontractor(s) performing Work involving hazardous materials, Contractor's Pollution Liability (CPL) insurance coverage for such Work AND an endorsement to either its CPL or Business Auto policies for transporting or hauling of hazardous materials. The insurance required by this Article 12.1.2.6 shall be (i) issued by companies with a Best rating of A- or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor's or Moody's) or (ii) guaranteed, under terms consented to by the University (such consent to not be unreasonably

withheld), by companies with a Best rating of A- or better, and a financial classification of VIII or better (or an equivalent rating by Standard & Poor's or Moody's). Such insurance shall be written for not less than the following and include the University as Additional Insured by endorsement:

CONTRACTOR'S POLLUTION LIABILITY	
Limits of Liability	Minimum Requirement
Each Occurrence	\$10,000,000
Products-Completed Operations	\$10,000,000
General Aggregate	\$10,000,000

If coverage is provided on a Claims-Made form, shall show evidence of coverage to include a three (3)-year Extended Reporting Period beyond completion of such Work. Coverage must extend to Transportation and Hauling of hazardous materials. The University shall require a copy of the policy endorsement noting extension of Transportation coverage. If this extension of coverage is not provided under the Design Builder's or applicable Subcontractor's Contractor's Pollution Liability, then the Design Builder/Subcontractor shall also be required to show evidence of the following under its Business Auto policy:

BUSINESS AUTO - Combined Single Limit per Accident of \$1,000,000

Covering Transportation and/or Hauling of hazardous materials by amending the pollution exclusion of ISO Form CA 00010 6/92 (or its equivalent) in the following manner:

1. Delete Section a. (1) a: (Pollution) "being transported or towed away by, or handled for movement into, onto or from the Covered Auto."
2. Delete Section a. (1) b: "Otherwise in the course of transit by the insured."

Coverage shall include MCS-90 endorsement with the University as Additional Insured and shall be endorsed to specifically limit the reimbursement provisions of the MCS-90 to the Named Insured.

- .2 Any coverages required under this Article 12.1.10 shall not in any way limit the liability of Design Builder, any Enrolled Parties, any Eligible Parties that are not enrolled, or any Excluded Parties.
- .3 Certificates of Insurance, as evidence of their insurance required by these Contract Documents and on the form contained in the Project Manual Tab 2C, and endorsements required by Article 12.1.10.5 shall be submitted by the Design Builder, by each Enrolled Party, by each Eligible Party that is not enrolled, and by each Excluded Party, to the UCIP Administrator. The Certificates of Insurance shall provide for no cancellation or modification of coverage without prior written notice to UCIP Administrator, in accordance with policy provisions.
- .4 In the event any Enrolled Party, any Eligible Party that is not enrolled, or any Excluded Party does not comply with these insurance requirements, University may, at its option, provide insurance coverage to protect University; and the cost of such insurance shall be paid by Design Builder and may be deducted from the Contract Price.

- .5 Insurance as required by Article 12.1.10, shall, by endorsement to the policies, include the following:
  - .1 The Regents of the University of California, The University of California, University, the UCIP Administrator, and each of their Representatives, consultants, officers, agents, employees, each of their Representative's consultants, and all enrolled parties, regardless of whether or not identified in the Contract Documents or to the Design Builder in writing, will be included as additional insureds on the general and automobile liability policies of the Design Builder, Enrolled Parties, Eligible Parties that are not enrolled, and Excluded Parties for and relating to the Work to be performed by any Enrolled Party, any Eligible Party that is not enrolled, or any Excluded Party. The general liability insurance policy of the Design Builder, Enrolled Parties, Eligible Parties that are not enrolled, and Excluded Parties shall name University as an additional insured pursuant to additional insured endorsement CG2010 (11/85) or a combination of both CG 2010 (10/01 or 07/04) and CG 2037 (10/01 or 07/04). This requirement shall not apply to Workers' Compensation and Employer's Liability insurance.
  - .2 A Severability of Interest Clause that shall be primary insurance as respects The Regents of the University of California, its officers, agents and employees. Any insurance or self-insurance maintained by The Regents of the University of California shall be excess of and non-contributory with this insurance. The provision shall state that, "The term 'insured' is hereby used severally and not collectively, but the inclusion herein of more than one insured shall not operate to increase the limits of the insurers' liability."
  - .3 A Cross Liability Clause stating that, "In the event of claims being made under any of the coverages of the policies referred to herein by one or more insureds hereunder for which another insured hereunder may be liable, then the policies shall cover such insureds against whom a claim is made or may be made in the same manner as if separate policies had been issued to each insured hereunder. Nothing contained herein, however, shall operate to increase the insurers' limits of liability as set forth in the insuring agreements."
  - .4 University, University's consultants, University Representative, UCIP Administrator and University Representative's consultants will not by reason of their inclusion as insureds incur liability to the insurance carriers for payment of premiums for such insurance.
  - .5 Coverage provided is primary and is not in excess of or contributing with any insurance or self-insurance maintained by University, University's consultants, University Representative, UCIP Administrator and University Representative's consultants. This provision, however, shall only apply as per the stipulations of Article 12.1.10.
  - .6 The Professional Liability insurance policy shall include Contractual Liability Coverage or endorsements to the insurance policies for Contractual Liability Coverage for liability that would exist in the absence of the contract.
- .6 The form and substance of all insurance policies required to be obtained under this Article 12.1.10 shall be subject to approval by University. All policies required by this Article 12.1.10 shall be issued by companies with ratings and financial classifications as specified in Article 12.1.10.1.5.

- .7 Design Builder shall, by mutual agreement with University, furnish any additional insurance as may be required by University. Design Builder shall provide Certificates of Insurance evidencing such additional insurance.
- .8 The Certificate of Insurance shall show (1) all companies affording coverage and (2) the name of the insured exactly in the manner as shown on the Price Proposal Form. The name of the insured must be the name under which the entity is licensed by the State License Board.
- .9 If any insurance company refuses to use the Certificate of Insurance form as contained in Tab 2C of the Project Manual to the Agreement, it must provide a Certificate of Insurance evidencing compliance with this Article and Special Provisions 1 through 2 on the Certificate of Insurance (Project Manual Tab 2C) by including an endorsement to its Certificate of Insurance form covering Special Provisions 1 through 2 exactly as these provisions appear on the Certificate of Insurance (Project Manual Tab 2C).
- .10 At the request of University, Design Builder shall submit to University copies of the policies obtained by Design Builder, Enrolled Parties, Eligible Parties that are not enrolled, and Excluded Parties.
- .11 If coverage under the UCIP has terminated for any reason, Contractor, Enrolled Parties, Eligible Parties that are not enrolled, and Excluded Parties shall not perform Work on the Project site (including corrective, repair or warranty Work) unless and until the insurance policies and coverages specified in this Article 12.1.10 are in effect.

12.1.11 Design Builder's Representations and Warranties to University. Design Builder represents and warrants to University, and will require each of its Subcontractors of every tier to represent and warrant to University that:

- .1 All information they submit to University, or to the UCIP Administrator, shall be current, accurate and complete.
- .2 They have read the UCIP coverage summaries and have had the opportunity to read and analyze copies of the UCIP insurance policies made available by University, and they understand the UCIP Coverages. Any reference or summary in the Agreement, this Article, the Contract Documents, or elsewhere as to amount, nature, type or extent of UCIP Coverages and/or potential applicability to any potential claim or loss is for reference only. Design Builder and its Subcontractors of all tiers have not relied upon said references or summaries, but solely upon their own independent review and analysis of the UCIP Coverages in formulating any understanding and/or belief as to amount, nature, type or extent of any UCIP Coverages and/or its potential applicability to any potential claim or loss.
- .3 The Costs of UCIP Coverages were not included in Design Builder's bid or proposal for the Work, the Contract Price/Contract Sum, and will not be included in any change order request, claim, change order or any request for payment for the Work or extra work.
- .4 Design Builder acknowledges that University shall not pay or compensate Design Builder or any Subcontractor of any tier, in any manner, for the Costs of UCIP Coverages.

12.1.12 University's Election to Modify or Discontinue the UCIP. University may, for any reason, modify the UCIP Coverages, discontinue the UCIP, or request that Design Builder or any of its Subcontractors of any tier withdraw from the UCIP upon thirty (30) days written notice. Upon such notice Design Builder and/or one or more of its Subcontractors, as specified by University in such notice, shall obtain and thereafter maintain during the performance of the Work, all (or a portion thereof as specified by University) of the UCIP Coverages. The form, content, limits of liability, cost, and the insurer issuing such replacement insurance shall be subject to University's approval. The University shall pay Design Builder for the reasonable cost of replacement coverage required by this Article 12.1.12.

12.1.13 Waiver of Subrogation. To the extent permitted by law, Design Builder waives all rights of recovery by subrogation arising out of deductible clauses, inadequacy of limits of any insurance policy, limitations or exclusions of coverage, or any other reason against University, University Representative, University Representative's consultants, the UCIP Administrator, its or their officers, agents, or employees, and any other contractor or Subcontractor performing Work or rendering services on behalf of University in connection with the planning, development and construction of the Project. University shall also require that all Design Builder maintained insurance policies related to the Work, include clauses providing that each insurer shall waive all of its rights of recovery by subrogation against Design Builder together with the same parties referenced immediately above in this Article 12.1.13. Where permitted by law, Design Builder shall require similar written express waivers and insurance clauses from each of its Subcontractors. A waiver of subrogation shall be effective as to any individual or entity even if such individual or entity (a) would otherwise have a duty of indemnification, contractual or otherwise, (b) did not pay the insurance premium directly or indirectly, and (c) whether or not such individual or entity has an insurable interest in the property damaged.

12.1.14 Duty of Care. Nothing contained in this Article, the Contract Documents, or elsewhere shall relieve the Design Builder or any of its Subcontractors of any tier of their respective obligations to exercise due care in the performance of their duties in connection with the Work, and to complete the Work in strict compliance with the Contract Documents.

12.1.15 Conflicts. In the event of a conflict between the Contract and the provisions of the UCIP insurance policies, the insurance policies shall govern.

12.1.16 Safety. Design Builder shall be solely responsible for safety on the project. Design Builder shall establish a safety program that, at a minimum, complies with all local, state and Federal safety standards, and any safety standards established by University for the Project.

## **12.2 BUILDER'S RISK PROPERTY INSURANCE**

12.2.1 When construction of the first Bid Package work proceeds, the University will provide its standard builder's risk property insurance, subject to the deductibles, terms and conditions, exclusions, and limitations as contained in the provisions of the policy. A copy of the University's standard builder's risk property insurance policy is available at the University's Facility office. In addition, a summary of the provisions of the policy is included in Tab 2B of the Project Manual to the Agreement. Design Builder agrees that the University's provision of its standard builder's risk property insurance policy meets the University's obligation to provide builder's risk property insurance of the Contract and, in the event of a conflict between the provisions of the policy and any summary or description of the provisions contained herein or otherwise, the provisions of the policy shall control and shall be conclusively presumed to fulfill the University's obligation to provide such insurance. The proceeds under such insurance policies taken out by University insuring the Construction Work and materials will be payable to University and Design Builder as their respective interests, from time to time, may appear. Design Builder shall be responsible for the deductible amount in the event of a loss. In addition, nothing in this Article 12.2 shall be construed to relieve Design Builder of full responsibility for loss of or damage to materials not incorporated in the Construction Work, and for Design Builder's tools and equipment used to perform the Work, whether on the Project Site or elsewhere, or to relieve Design Builder of its responsibilities referred to under this Article 12. "Materials incorporated in the Work," as used in this Article 12.2, shall mean materials furnished while in transit to, stored at, or in permanent place at the Project Site.

12.2.2 Insurance policies referred to under this Article 12.2 shall:

- .1 Include a provision that the policies are primary and do not participate with, nor are excess over, any other valid collectible insurance carried by Design Builder.
- .2 Include a waiver of subrogation against Design Builder, its agents, and employees.

12.2.3 Builder's risk insurance coverage under this Article 12.2 will expire on the date of Final Completion recited in a Notice of Completion filed pursuant to Article 8.9. Should a Notice of Completion be filed more than 15 days after the date of Final Completion, the date of Final Completion recited in the Notice of Completion will govern.