

Construction Insurance

Forms, Endorsements and Implications

WSBA Construction Law Section
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1. Contractual Insurance Requirements
2. Limitation & Exclusion Endorsements
3. Wishlist & Trends

Agenda

Contractual Insurance Requirements



Contractual Insurance Requirements

The Basics

- AIA Document A401®–2017
 - EJCDC C-523
 - ConsensusDocs 750
 - Proprietary
- General Liability
 - Premise Operations
 - Products & Completed Operations
 - Stop Gap (WA)
 - Work Completed by Subcontractors on Your Behalf
- Builders Risk
 - Inland Marine Form
 - Hard Costs
 - Soft Costs
 - Quake & Flood
 - Equipment Breakdown & Testing
 - Procured by?

Limitation & Exclusion Endorsements



Limitation & Exclusion Endorsements

ISO & Manuscript

- Admitted vs. Non-admitted / Surplus
 - Licensing
 - Guaranty funds
 - Broker Access
- ISO GL Exclusions
 - Pollution / WC / EL / Auto / Your Product & Work / Cyber (CG 00 01)
 - Professional Services / Liability (CG 21 16 & CG 22 79)
 - WRAP / OCIP / CCIP (CG 21 54)
- Surplus GL Exclusions
 - Action Over Exclusion
 - Classification & Contractor Limitations
 - Subsidence / Roofing / Residential / Application
 - Subcontract / Indemnity / Certificate / Limits / Years
 - Prior Work and/or Designated Work Exclusion
 - Damage to Work Performed by Subcontractors on Your Behalf

Limitation & Exclusion Endorsements

Caselaw Considerations

- Gilbert H. Moen Co. v. Island Steel Erectors, Inc., 128 Wn.2d 745, 912 P.2d 472 (Wash. 1996)
- Vargas v. Inland Wash., LLC, 452 P.3d 1205 (Wash. 2019)
- Developers Sur. and Indem. Co. v. Alis Homes LLC, No. C17-0707JLR, 2018
- Loendorf v. Employers Mutual Casualty Company, No. DA21-449 (Mont. July 19, 2022)
- Logg v. TIG Ins. Co., No. 24-5334 (9th Cir. Dec. 11, 2025)
- T-Mobile USA Inc. v. Selective Ins. Co. of Am., 532 F.Supp.3d 1050 (W.D. Wash. 2021)
- Sec. Natl. Ins. Co. v. Constr. Assocs. of Spokane, 2:20-cv-00167-SMJ (E.D. Wash. Mar 24, 2022)

Wishlist & Trends



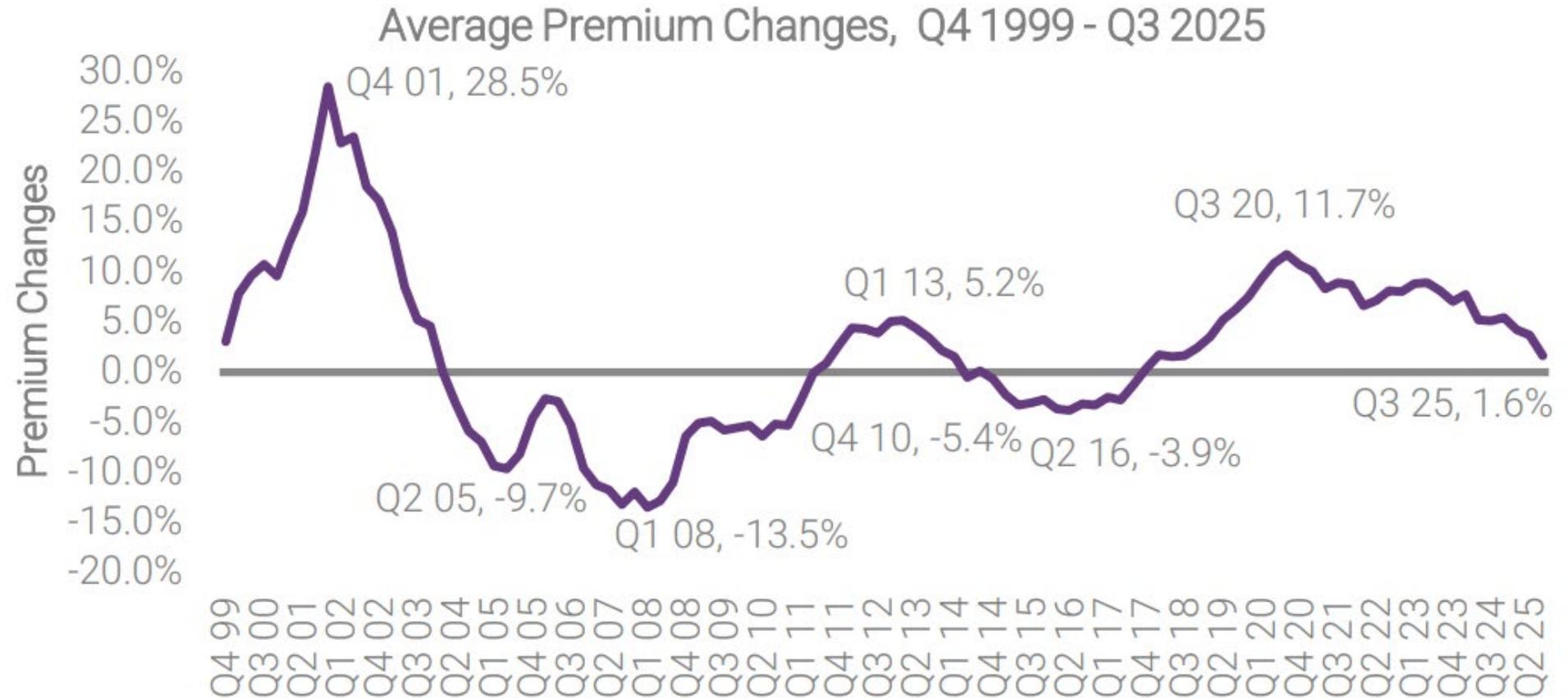
Wishlist

& Opportunities

- Quality of Insurance Requirements
 - Required
 - Available
 - Affordable
- Review Subcontract Agreement
- Warranty vs. Statute of Repose
- Due Diligence Process
- Employment Law

Trends

Commercial Property/Casualty Market Index Q3/2025



Source: The Council of Insurance Agents & Brokers

Trends

Commercial Property/Casualty Market Index Q3/2025

BY-LINE THIRD QUARTER 2025 PREMIUM CHANGES RANGED FROM -1.9% TO +7.4%

	COMM'L AUTO	WORKERS COMP	COMM'L PROPERTY	GEN'L LIABILITY	UMBRELLA	AVERAGE
Third Quarter 2025	7.4%	-1.9%	-0.2%	2.8%	5.5%	2.7%
Second Quarter 2025	8.8%	-1.8%	1.9%	3.9%	11.5%	4.9%
First Quarter 2025	10.4%	-2.6%	2.9%	4.2%	9.5%	4.9%
Fourth Quarter 2024	8.9%	-1.8%	6.0%	5.3%	8.7%	5.4%

KEY NUMBERS AT A GLANCE

- **2.7%:** average premium increase across all lines of business, the same as Q2 2025
- **7.4%:** average premium increase for commercial auto, the highest out of all lines
- **6:** number of lines for which premiums decreased
- **-2.6%:** average premium decrease for cyber, the largest decrease out of all lines

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