



AIA® Document A133® – 2019 Exhibit B

Insurance and Bonds

This Insurance and Bonds Exhibit is part of the Agreement, between the Owner and the Construction Manager, dated the 12th day of March in the year 2025
(In words, indicate day, month and year.)

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

New Replacement Grade School

THE OWNER:
(Name, legal status, and address)

Dunlap Community School District No. 323
400 S. Fourth Street
Dunlap, IL 61525

THE CONSTRUCTION MANAGER:
(Name, legal status, and address)

P.J. Hoerr Inc.
107 Commerce Place
Peoria, IL 61604

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ARTICLE B.1 GENERAL

The Owner and Construction Manager shall purchase and maintain insurance, and provide bonds, as set forth in this Exhibit. As used in this Exhibit, the term General Conditions refers to AIA Document A201™–2017, General Conditions of the Contract for Construction.

ARTICLE B.2 OWNER'S INSURANCE

§ B.2.1 General

Prior to commencement of the Work, the Owner shall secure the insurance required under this Article B.2.

§ B.2.2 Liability Insurance

The Owner shall be responsible for purchasing and maintaining the Owner's usual general liability insurance.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

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

This document is intended to be used in conjunction with AIA Document A201™–2017, General Conditions of the Contract for Construction. Article 11 of A201™–2017 contains additional insurance provisions.

§ B.2.3 Required Property Insurance

§ B.2.3.1 Unless this obligation is placed on the Construction Manager pursuant to Section B.3.3.2.1, the Owner shall purchase and maintain, from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located, property insurance written on a builder's risk "all-risks" completed value or equivalent policy form and sufficient to cover the total value of the entire Project on a replacement cost basis. The Owner's property insurance coverage provided hereunder shall be no less than the amount of the initial Contract Sum, plus the value of subsequent Modifications and labor performed and materials or equipment supplied by others. The property insurance shall be maintained at least until Substantial Completion. This insurance shall include the interests of the Owner, Construction Manager, Subcontractors, and Sub-subcontractors in the Project as insureds.

§ B.2.3.1.1 Causes of Loss. Intentionally Deleted.

(Indicate below the cause of loss and any applicable sub-limit.)

Cause of Loss

Sub-Limit

§ B.2.3.1.2 Specific Required Coverages. Intentionally Deleted.

(Indicate below type of coverage and any applicable sub-limit for specific required coverages.)

Coverage

Sub-Limit

§ B.2.3.1.3 Intentionally Deleted.

§ B.2.3.1.4 Deductibles and Self-Insured Retentions. If the insurance required by this Section B.2.3 is subject to deductibles or self-insured retentions, the Construction Manager shall be responsible for all loss not covered because of such deductibles or retentions.

§ B.2.3.2 Occupancy or Use Prior to Substantial Completion. The Owner's occupancy or use of any completed or partially completed portion of the Work prior to Substantial Completion shall not commence until the insurance company or companies providing the insurance under Section B.2.3.1 have consented in writing to the continuance of coverage. The Owner and the Construction Manager shall take no action with respect to partial occupancy or use that would cause cancellation, lapse, or reduction of insurance, unless they agree otherwise in writing.

§ B.2.3.3 Insurance for Existing Structures

Intentionally Deleted.

§ B.2.4 Optional Extended Property Insurance.

The Owner shall purchase and maintain the insurance selected and described below.

(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance. For each type of insurance selected, indicate applicable limits of coverage or other conditions in the fill point below the selected item.)

[] § B.2.4.1 Loss of Use, Business Interruption, and Delay in Completion Insurance, to reimburse the Owner for loss of use of the Owner's property, or the inability to conduct normal operations due to a covered cause of loss.

[] § B.2.4.2 Ordinance or Law Insurance, for the 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.

- ☐ **§ B.2.4.3 Expediting Cost Insurance**, for the reasonable and necessary costs for the temporary repair of damage to insured property, and to expedite the permanent repair or replacement of the damaged property.
- ☐ **§ B.2.4.4 Extra Expense Insurance**, to provide reimbursement of the reasonable and necessary excess costs incurred during the period of restoration or repair of the 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.
- ☐ **§ B.2.4.5 Civil Authority Insurance**, for 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.
- ☐ **§ B.2.4.6 Ingress/Egress Insurance**, for 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.
- ☐ **§ B.2.4.7 Soft Costs Insurance**, to reimburse the Owner for costs due to the delay of completion of the Work, arising out of physical loss or damage covered by the required property insurance: including construction 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.

§ B.2.5 Other Optional Insurance.

The Owner shall purchase and maintain the insurance selected below.

(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance.)

- ☐ **§ B.2.5.1 Cyber Security 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.
(Indicate applicable limits of coverage or other conditions in the fill point below.)
- ☐ **§ B.2.5.2 Other Insurance**
(List below any other insurance coverage to be provided by the Owner and any applicable limits.)

Coverage

Limits

ARTICLE B.3 CONSTRUCTION MANAGER'S INSURANCE AND BONDS

§ B.3.1 General

§ B.3.1.1 Certificates of Insurance. The Construction Manager shall provide certificates of insurance acceptable to the Owner evidencing compliance with the requirements in this Article B.3 at the following times: (1) prior to commencement of the Work; (2) upon renewal or replacement of each required policy of insurance; and (3) upon the

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Owner's written request. An additional certificate evidencing continuation of commercial liability coverage, including coverage for completed operations, and excess or umbrella coverage, shall be submitted with the final Application for Payment and thereafter upon renewal or replacement of such coverage until the expiration of the periods required by Section B.3.2.1 and Section B.3.3.1. The certificates will show the Owner, its individual board members, agents, employees, representatives, and consultants, as well as the Architect and its officers, agents, employees and the Architect's Consultants ("Additional Insureds") as an additional insured on all insurance required of the Construction Manager by the Contract Documents, with the exception of the workers' compensation insurance and any professional liability insurance. The certificates of insurance shall also 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 Owner. Upon the request of Owner, the Construction Manager shall provide the Owner with copies of any insurance policy, with all applicable conditions, definitions, exclusions, and endorsements, as well as declaration pages, as required by the Contract Documents.

§ B.3.1.2 Deductibles and Self-Insured Retentions. The Construction Manager shall disclose to the Owner any deductible or self-insured retentions applicable to any insurance required to be provided by the Construction Manager.

§ B.3.1.3 Additional Insured Obligations. To the fullest extent permitted by law, the Construction Manager shall cause all insurance required of the Construction Manager by the Contract Documents, with the exception of workers' compensation insurance and any professional liability insurance, to include the Additional Insureds as additional insureds. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies and shall apply to both ongoing and completed operations. To the extent commercially available, the additional insured coverage shall be no less than that provided by Insurance Services Office, Inc. (ISO) forms CG 20 10 07 04, CG 20 37 07 04, and, with respect to the Architect and the Architect's consultants, CG 20 32 07 04.

§ B.3.2 Construction Manager's Required Insurance Coverage

§ B.3.2.1 The Construction Manager shall purchase and maintain the following types and limits of insurance from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The Construction Manager shall maintain the required insurance until the later of (1) the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, or (2) two (2) years after final payment.

(If the Construction Manager is required to maintain insurance for a duration other than the expiration of the period for correction of Work, state the duration.)

§ B.3.2.2 Commercial General Liability

§ B.3.2.2.1 Commercial General Liability insurance for the Project written on an occurrence form with policy limits of not less than One Million Dollars (\$ 1,000,000) each occurrence, Three Million Dollars (\$ 3,000,000) general aggregate, and Three Million Dollars (\$ 3,000,000) aggregate for products-completed operations hazard, providing coverage for claims including

- .1 damages because of bodily injury, sickness or disease, including occupational sickness or disease, and death of any person;
- .2 personal injury (with employment exclusion deleted) and advertising injury;
- .3 damages because of physical damage to or destruction of tangible property, including the loss of use of such property;
- .4 bodily injury or property damage arising out of completed operations; and
- .5 Intentionally Deleted.

§ B.3.2.2.2 The Construction Manager's Commercial General Liability policy under this Section B.3.2.2 shall not contain an exclusion or restriction of coverage for the following:

- .1 Claims by one insured against another insured, if the exclusion or restriction is based solely on the fact that the claimant is an insured, and there would otherwise be coverage for the claim.
- .2 Claims for property damage to the Construction Manager's Work arising out of the products-completed operations hazard where the damaged Work or the Work out of which the damage arises was performed by a Subcontractor.

- .3 Claims for bodily injury other than to employees of the insured.
- .4 Intentionally Deleted.
- .5 Claims or loss excluded under a prior work endorsement or other similar exclusionary language.
- .6 Claims or loss due to physical damage under a prior injury endorsement or similar exclusionary language.
- .7 Claims related to residential, multi-family, or other habitational projects, if the Work is to be performed on such a project.
- .8 Claims related to roofing, if the Work involves roofing.
- .9 Claims related to exterior insulation finish systems (EIFS), synthetic stucco or similar exterior coatings or surfaces, if the Work involves such coatings or surfaces.
- .10 Claims related to earth subsidence or movement, where the Work involves such hazards.
- .11 Claims related to explosion, collapse and underground hazards, where the Work involves such hazards.
- .12 Claims related to sexual abuse.

§ B.3.2.3 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Construction Manager, with policy limits of not less than One Million Dollars (\$ 1,000,000) per accident, for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles along with any other statutorily required automobile coverage.

§ B.3.2.4 The Construction Manager may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided such primary and excess or umbrella insurance policies result in the same or greater coverage as the coverages required under Section B.3.2.2 and B.3.2.3, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ B.3.2.5 Workers' Compensation at statutory limits.

§ B.3.2.6 Employers' Liability with policy limits not less than One Million Dollars (\$ 1,000,000) each accident, One Million Dollars (\$ 1,000,000) each employee, and One Million Dollars (\$ 1,000,000) policy limit.

§ B.3.2.7 Jones Act, and the Longshore & Harbor Workers' Compensation Act, as required, if the Work involves hazards arising from work on or near navigable waterways, including vessels and docks

§ B.3.2.8 If the Construction Manager is required to furnish professional services as part of the Work, the Construction Manager shall procure Professional Liability insurance covering performance of the professional services, with policy limits of not less than One Million Dollars (\$ 1,000,000) per claim and Two Million Dollars (\$ 2,000,000) in the aggregate.

§ B.3.2.9 If the Work involves the transport, dissemination, use, or release of pollutants, including asbestos, the Construction Manager shall procure Pollution Liability insurance, with policy limits of not less than Two Million Dollars (\$ 2,000,000) per claim and Two Million Dollars (\$ 2,000,000) in the aggregate.

§ B.3.2.10 Coverage under Sections B.3.2.8 and B.3.2.9 may be procured through a Combined Professional Liability and Pollution Liability insurance policy, with combined policy limits of not less than Four Million Dollars (\$ 4,000,000) per claim and Four Million Dollars (\$ 4,000,000) in the aggregate.

§ B.3.2.11 Intentionally Deleted.

§ B.3.2.12 Insurance for the use or operation of manned or unmanned aircraft, if the Work requires such activities or Contractor will otherwise use such aircraft, with policy limits of not less than One Million Dollars (\$ 1,000,000) per claim and Two Million Dollars (\$ 2,000,000) in the aggregate.

§ B.3.3 Construction Manager's Other Insurance Coverage

§ B.3.3.1 Insurance selected and described in this Section B.3.3 shall be purchased from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The

Construction Manager shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

(If the Construction Manager is required to maintain any of the types of insurance selected below for a duration other than the expiration of the period for correction of Work, state the duration.)

§ B.3.3.2 The Construction Manager shall purchase and maintain the following types and limits of insurance in accordance with Section B.3.3.1.

(Select the types of insurance the Construction Manager is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance. Where policy limits are provided, include the policy limit in the appropriate fill point.)

- ☐ **§ B.3.3.2.1** Property insurance of the same type and scope satisfying the requirements identified in Section B.2.3, which, if selected in this Section B.3.3.2.1, relieves the Owner of the responsibility to purchase and maintain such insurance except insurance required by Section B.2.3.1.3 and Section B.2.3.3. The Construction Manager shall comply with all obligations of the Owner under Section B.2.3 except to the extent provided below. The Construction Manager shall be responsible for the deductible. Upon request, the Construction Manager shall provide the Owner with a copy of the property insurance policy or policies required. The Owner shall adjust and settle the loss with the insurer and be the trustee of the proceeds of the property insurance in accordance with Article 11 of the General Conditions unless otherwise set forth below:
(Where the Construction Manager's obligation to provide property insurance differs from the Owner's obligations as described under Section B.2.3, indicate such differences in the space below. Additionally, if a party other than the Owner will be responsible for adjusting and settling a loss with the insurer and acting as the trustee of the proceeds of property insurance in accordance with Article 11 of the General Conditions, indicate the responsible party below.)

- ☐ **§ B.3.3.2.2 Railroad Protective Liability Insurance**, with policy limits of not less than (\$) per claim and (\$) in the aggregate, for Work within fifty (50) feet of railroad property.

- ☐ **§ B.3.3.2.3 Asbestos Abatement Liability Insurance**, with policy limits of not less than (\$) per claim and (\$) in the aggregate, for liability arising from the encapsulation, removal, handling, storage, transportation, and disposal of asbestos-containing materials.

- ☐ **§ B.3.3.2.4** Insurance for physical damage to property while it is in storage and in transit to the construction site on an "all-risks" completed value form.

- ☐ **§ B.3.3.2.5** Property insurance on an "all-risks" completed value form, covering property owned by the Construction Manager and used on the Project, including scaffolding and other equipment.

- ☐ **§ B.3.3.2.6 Other Insurance**
(List below any other insurance coverage to be provided by the Construction Manager and any applicable limits.)

Coverage

Excess or Umbrella Liability Insurance

Limits

\$5,000,000 per occurrence and annual aggregate, which policies shall follow the primary policies in all respects, including non-contributory obligations.

§ B.3.4 Performance Bond and Payment Bond

The Construction Manager shall provide surety bonds, from a company or companies lawfully authorized to issue surety bonds in the jurisdiction where the Project is located, as follows:

(Specify type and penal sum of bonds.)

(Table deleted)

The Construction Manager shall furnish a Performance Bond and a Payment Bond to the Owner. The Performance Bond shall be in an amount equal to 100 percent of the full amount of the Contract Sum as security for the faithful performance of the obligations of the Contract Documents, and the Payment Bond shall be in an amount equal to 100 percent of the full amount of the Contract Sum as security for the payment of all persons performing labor and furnishings materials in connection with the Contract Documents, including the obligation to pay the prevailing wage. Such bonds shall be on A.I.A. Document A-312, issued by the American Institute of Architects, or such other document as may be acceptable to Owner, shall name the Owner as an obligee, and shall be issued by a surety satisfactory to the Owner that is licensed by the Illinois Department of Insurance authorizing it to execute surety bonds and the company must have a financial strength rating of at least A- as rated by A.M. Best Company, Inc., Moody's Investors Service, Standard & Poor's Corporation, or a similar rating agency.

§ B.3.4.1 The Construction Manager shall deliver the required bonds to the Owner not later than three days following the date the Agreement is entered into, or if the Work is to be commenced prior thereto in response to a letter of intent, the Construction Manager shall, prior to the commencement of the Work, submit evidence satisfactory to the Owner that such bonds will be furnished.

§ B.3.4.2 The Construction Manager shall require the attorney-in-fact who executes the required bonds on behalf of the surety to affix thereto a certified and current copy of the power of attorney.

ARTICLE B.4 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Insurance and Bonds Exhibit, if any, are as follows:

§ B.4.1 Except as otherwise expressly provided in the Contract Documents, the Owner shall not, in any manner, be deemed or intended to have waived any right of subrogation which either it, or its insurance carrier or any self-insured risk pool of which it is a member, may have against the Construction Manager or any of its employees, agents, consultants, officers and directors.

§ B.4.2 Notwithstanding any other provision in any Contract Document, the Owner, at its own option, may satisfy its obligation to purchase any insurance required of the Owner through its membership in a self-insured risk pool. The rights of the Owner as a member of a governmental self-insurance pool are intended to and shall constitute full satisfaction for any of the insurance required to be maintained by the Owner.

§ B.4.3 In addition to providing certificates of insurance as required by the Contract Documents, the Construction Manager shall submit a signed certification with each Request for Payment, stating that all the insurance required of the Construction Manager remains in force. Failure to submit such a certification shall be grounds to withhold payment in full or in part.

§ B.4.4 The Construction Manager shall require that every Contractor and Subcontractor of any tier obtain insurance of the same character and limits as the Construction Manager, except that the Contractor or Subcontractor may provide a minimum of \$2,000,000 in excess umbrella coverage, rather than the higher amount required of Construction Manager. All Contractor and Subcontractor coverage shall name the same additional insureds as the insurance required of the Construction Manager. Before the commencement of any Work by any Contractor Subcontractor of any tier, the Construction Manager shall obtain and furnish the Owner and the Owner's representative, if any, with certificates of insurance evidencing the required insurance and the required additional insureds. The Construction Manager shall also submit a certification, signed by each Contractor Subcontractor of any tier with each Request for Payment, stating that all required insurance is in force for each and every respective Contractor or Subcontractor of any tier. Failure to submit such a certification signed by all Contractors or Subcontractors shall be grounds to withhold payment in full or in part.

§ B.4.5 All insurance required of the Construction Manager and all Contractors and Subcontractors shall state that the coverage afforded to the additional insureds shall be primary insurance of the additional insureds and not contributing with any other insurance or similar protection available to the additional insureds, whether said other available coverage by primary, contributing or excess. If the additional insureds have other insurance which is applicable to the loss, it shall be deemed to be on an excess or contingent basis. It is the intent of the Parties that all applicable insurance

of the Construction Manager be fully and completely exhausted before any Additional Insureds' insurance becomes applicable to the loss.

§ B.4.6 All insurance required of the Construction Manager and all Contractors and Subcontractors shall provide that any failure to comply with reporting provisions of the policies shall not effect coverage provided to the Owner, its officers, directors, commissioners, officials, employees, consultants, volunteers, or agents.

§ B.4.7 All insurance required of the Construction Manager and all Contractors and Subcontractors shall provide that the insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

§ B.4.8 Under no circumstances shall the Owner be deemed to have waived any of the insurance requirements of this Contract by any action or omission. The Construction Manager agrees that the obligation to provide the insurance required by the Contract Documents is solely its responsibility and that this is a requirement which cannot be waived by any conduct, action, inaction, or omission by the Owner. Construction Manager shall also protect the Owner by specifically incorporating this Section into every Subcontract entered into and also requiring every Contractor or Subcontractor to incorporate this Section into every Subcontract and Sub-subcontract entered into.

§ B.4.9 Nothing contained in the insurance requirements of the Contract Documents is to be construed as limiting the liability of the Construction Manager, Contractors or Subcontractors, or any of their respective insurance carriers. Owner does not, in any way, represent that the coverages or limits of insurance specified are sufficient or adequate to protect the Owner, Construction Manager, Contractors or Subcontractors' interests or liabilities, but are merely minimums. The obligation of the Construction Manager to purchase insurance shall not, in any way, limit its obligations to the Owner in the event that the Owner should suffer an injury or loss in excess of the amount recoverable through insurance, or any loss or portion of the loss that is not covered by the Construction Manager's insurance.

§ B.4.10 All insurance coverage shall be provided by insurance companies having a financial strength rating no lower than "A" and a financial size category rating not lower than "VIII" in the Best's Insurance Guide, latest edition in effect as of the date of the Contract.

§ B.4.11 The insurance requirements of Contractor set forth in this Exhibit are minimum contractual obligations and shall not preclude the Owner from accessing insurance limits above said stated minimums.