

Top 10 Builders Risk Issues

- **Builders Risk Policies**
 - What is Builders Risk Coverage?
 - Why is Builders Risk Coverage necessary?
- **Sue and Labor**
- **Protection under Builders Risk Policies for Weather Damage**
 - Rain exclusion and exception when it enters through a roof or wall that first sustained damage and through which the rain entered
 - Less coverage is afforded when a policy requires permanent exterior roof, walls and windows in place for coverage
 - Is a temporary structure covering a building under construction enough?
 - Builders Risk policies cover new construction – there will usually not be a permanent roof in place
- **Deductibles**
 - Named Storm Deductible
 - Wind Deductible
 - Sub-Limits/Deductibles for Particular Coverages
 - Ambiguity of Percentage-Based Deductibles
- **Expediting Expenses**
 - Coverage for repairs to physically damaged property
 - Increased cost of labor and materials
- **Coverage when a Project is Delayed**
 - Delay to repair physically damaged property
 - Delay to portions of a project not yet built
- **Hard Costs/Soft Costs**
- **Waivers of Subrogation & Waivers of Claim**
- **Cause of Loss**
 - Sequential Loss
 - Dominant Efficient Cause
 - Pro-policyholder Rule
 - Anti-sequential

- Concurrent Loss
 - Burden of Proof
 - Pro-policyholder Rule
 - Anti-concurrent
 - Burden of Proof
 - California Rule
- **Exclusions**
 - Faulty, Inadequate or Defective Planning, Design, Materials and Maintenance
 - Focus on Faulty Workmanship Exclusion
 - Faulty Product v. Faulty Process
 - Delay, Loss of Use, and Loss of Market
 - Rain, Snow, Ice, or Sleet, Unless Within a Fully Enclosed Structure
 - Mold Exclusion
 - Collapse
 - Enforcement of Ordinance or Law