

## **Identification of Legal Interests for Closing Certificates**

The most confusing insurance related Risk Management issue for all internal and external parties seems to be the *proper identification of entities* in the various insurance coverage certificates. There are two basic insurance placement scenarios:

- I. Stand-Alone Policy: Projects insured on a stand-alone basis.

### **Property/Builder's Risk *plus* General Liability Coverage**

The Named Insured is the name of the legal entity (the "Partnership") that owns the the Project (either as an LP or a LLC). National Equity Fund, Inc. ("NEF") and either NEF Assignment Corporation, an nominee, or the Investment Fund are listed as Additional Insured. Other "Additional Insured" may be required at the request of Insurance Risk Management.

### **General Contractor's Liability**

The Partnership, and in certain cases the investor(s), must be named as an Additional Insured under the General Contractor's General/Excess Liability coverage. It is also required that a hold harmless clause be included in the construction contract.

### **Architect Coverages**

The Partnership has no direct risk exposure related to architect's business services provided on the project. Thus, NO Additional Insureds requirements are applicable.

- II. Master Policy: Projects insured on a combined placement basis.

### **Property/Builder's Risk *plus* General and Excess Liability**

The Named Insured is the Sponsor or the General Partner. The Partnership is an Additional Insured or Additional Named Insured. NEF and either NEF Assignment Corporation, as nominee, or the Investment Fund are listed as Additional Insured. Other "Additional Insured" may be required at the request of Insurance Risk Management.

### **General Contractor's Liability**

Same requirements as apply to the General Contractor's Liability for Stand-Alone Policies.