

AIA Trust Week Webinar Victor Insurance Managers LLC

In this webinar, Frank Musica, Risk Management Consultant for Victor Insurance Managers LLC, discusses specific case studies that result in payments by insured firms and their insurer and suggest alternative contract language and actions that each firm might have taken to mitigate its risks. The AIA Trust is pleased to provide AIA members with the opportunity to earn 1 AIA Continuing Education Credit by reviewing the webinar and answering the following 10 questions. After you complete the test, write your name and member number on the completed test, scan, and email it to <u>AIATrust@aia.org</u>. Once we receive your questionnaire, you will be emailed an answer sheet with the correct responses and the learning credit will be added to your online transcript.

- 1. Most professional liability claims against architects are brought by:
 - a. Contractors and subcontractors
 - b. Injured construction workers
 - c. The clients of the architects
 - d. Injured facility users
- 2. If a prime architect limits the liability of a subconsultant, any damages caused by the subconsultant above the limitation amount is not recoverable:
 - a. True
 - b. False
- 3. To be enforceable, contracts have to balance duties, compensation, and risks:
 - a. True
 - b. False

- 4. In most contracts for services by an architect related to a building project, the architect assumes what duties under the contract:
 - a. Providing consulting services to the client during the design stage.
 - b. Serving as the client's representative or agent during the construction stage.
 - c. Acting as a neutral party interpreting the duties of the project owner and contractor in the contract for construction.
 - d. All of the above.
- 5. If a client contracts separately with consultants for a building design that by law or contract has to be coordinated by the architect as the prime design professional, any negligent design by the subconsultants will not cause a professional liability or breach of contract claim against the architect:
 - a. True
 - b. False
- 6. If a state has enacted a Statute of Repose that applies to the specific services of an architect in designing an improvement to real property, the architect is protected from both client claims and third-party claims after the period specified in the law:
 - a. True
 - b. False
- 7. To protect a firm against future claims that a design was not responsive to the increasing amount of information about climate variability, an architect can discuss the possibility of designing beyond existing codes and address the issue in the professional services agreement by using a contract provision such as:
 - a. An Informed consent acknowledgment.
 - b. A disclaimer for anything beyond designing to meet current codes.
 - c. A contractual defense and indemnity requiring the client to protect the architect from third-party claims.
 - d. All of the above.

- 8. Because an architect has to design to a specific budget, recommend payment to the contractor according to the contract methodology, and sign change orders to the construction contract, this level of control over the client's finances means that an architect has a fiduciary duty to the client:
 - a. True
 - b. False
- 9. Most situations causing a client to bring a professional liability claim against a design firm under contract to provide services to the client are the result of design or technical errors made by the design firm:
 - a. True
 - b. False
- 10. If a project's completion is delayed because of the negligence of the architect in the architect's performance of professional services or the architect's breach of the contract for services, the liability of the architect to the owner could extend not only to direct damages but also to damages that are the consequence of the delay such as additional financing costs, increased construction costs, and lost profits because the facility would not open on time:
 - a. True
 - b. False