

## NEWSLETTERS

### Barnes & Thornburg LLP Construction Update - August 2014

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Welcome to the August 2014 edition of the *Construction Update*, an e-publication that features articles authored by the attorneys in Barnes & Thornburg LLP's Construction practice group.

#### Not Just Boilerplate: Indemnity Provisions Require Careful Review

*By Kenneth M. Gorenberg*

Indemnity provisions in construction contracts are not mere boilerplate that can be overlooked. During the contracting process, indemnity clauses require careful thought, negotiation and drafting. And when an accident occurs or another problem arises, the parties should thoroughly review the indemnity language of their contract. Read more about a recent Barnes & Thornburg appellate victory that provides a lesson.

#### Michigan Supreme Court Reverses Lower Court's Narrow Interpretation of Subcontractor Indemnity Obligations

*By Scott R. Murphy*

A recent Michigan Supreme Court opinion reverses a previous appeals court ruling that had denied a general contractor's indemnity claim against a roofing subcontractor in connection with construction of a YMCA facility. Learn more about what the high court said in the new ruling.

#### Unmanageable Risk - An Unintended Consequence of Self-Insured Retentions

Self-Insured Retentions (SIRs) have been used by companies for decades as effective risk management tools. They represent the amount of risk a company is prepared to retain for its own account and denote the point at which the risk passes from the company, as self-insurer, to a professional insurer. However, a recent decision from the Eastern District of California potentially turns this risk management principle on its ear. Read more about the case and what it means for companies.

#### The First District of Illinois Holds Strict Compliance with Section 5 of the Mechanics Lien Act is a Prerequisite to Enforcing a Mechanics Lien

Section 5 of the Illinois Mechanics Lien Act (the Act) requires that an owner require, and the contractor provide, a sworn statement containing the names and addresses of all parties who have furnished materials or labor on the project and the amounts due or to become due to each of them. Read more about a recent decision and what it means for liens

## RELATED PEOPLE



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Construction

under the Illinois Mechanics Lien Act.

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