

Construction Law in North Carolina

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Tues Tip: Check out the new AIA Bond forms

By Melissa Brumback on January 25, 2011

Have you seen the 2010 AIA 312 Payment Bond Form? If you regularly deal with AIA bonds,



be sure to check out this blog post, entitled “[What changes you need to know about in the new AIA A 312 Payment Bond](#)” from the New York Construction Law Update Blog.

Of particular note:

There is a new section (7.3) that expressly states the surety’s failure to respond within sixty (60) days does not constitute a waiver of any potential defenses. However, the new AIA A312 also states that if the surety fails to respond and if the claimant has to bring an action to recover under the bond, and is successful, then the surety will be responsible for attorneys’ fees incurred by the claimant.

The new Section 16.1 provides certain minimum requirements that must be in the notice of claim to constitute a valid claim under the bond. Previous versions of the AIA A312 did not contain such minimum requirements and a claimant in a rush could potentially submit a simple letter identifying the project and setting forth the amount of its claim to try and squeeze in before the deadline to submit a claim.

While it is tempting and easy to skip reading standard form contract documents, that is not a good practice. The new requirements involved in making a bond claim, for example, are something that would be easy to overlook if you have previous experience making bond claims–

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and it could be a very expensive lesson. Moral of the story, as always, is to read your contracts, preferably with your attorney and insurance carrier at hand.

Do you use the AIA 312 Payment Bond form? Thoughts about the new Form versus the old Form? Bonding questions in general? Drop me a line or comment below.

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