

RESEARCH ARTICLE

CONTRACTUAL SUGGESTIONS OF GREEN BUILDING INSURANCE

*Dr. Shereen N. Abu Ghazaleh and Dr. Hassan Sami Alabady

Amman Arab University, Jordan Street–Mubis - P.O Box 2234 - Amman 11953 –Jordan

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ABSTRACT

Green Buildings Insurance (GBI) is considered a modern insurance contract. Due to the nature of Green Buildings (GB) being characterized by a number of issues such as green designs, construction mechanisms and building materials, these types of buildings are considered problematic. Because they are newly applied, there has not been any long periods of testing to assess long-term damage, even not enough for the insurance contract parties (owner, engineer, contracting company, and insurance company) to determine the nature of such risks. This paper discusses the contractual suggestions for parties of green buildings in terms of the new risks associated with such buildings that can be insured, non-traditional works, the use of green materials, traditional green materials, sustainable green materials that are more specialized, and pollution risks. Also, this paper addresses the rehabilitation of green buildings and the specialized insurance contracts for green buildings as well as covering issues related to obtaining a green building certificate. The paper concludes that parties signing onto the green building insurance must explicitly include all related issues discussed in the paper that should ensure avoiding liability.

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INTRODUCTION

The contract of insurance is a binding contract for the parties, the insured and the insurer, and there are always mutual obligations between these two parties. The contract may also include a third party which is called the beneficiary. In green building insurance contracts like any other insurance contracts, there are obligations between the contract parties, and since the construction mechanisms of green houses are different from those for the traditional buildings, therefore insurance companies need to cover the professional responsibility of the professionals of this construction such as the engineer, the contractor and others, so the insurance company need to cover any breach arises to the insurer according to the insurance policy. On the other hand, Green buildings are considered relatively new in Jordan, therefore, there is no sufficient legal regulations for these buildings. Moreover, as green buildings contracts differ from those of traditional buildings due to their special characteristics, which should be identified, stated and clarify all the insurance contracting aspects which are totally different than the insurance contracts of the traditional buildings. Thus, the modern nature of green building contracts, requires an understanding of the extent of civil liability, this paper will discuss the contractual suggestion of the parties in green building insurance contract terms of the risks of green

building, the rehabilitation of green building, the specialized insurance contracts for green buildings and demonstrates related issues to Green building certificate and finally clarified the mechanism for obtaining the green certificate.

Insurance contract and the new risks of green building

The non-traditional works in green buildings

Green buildings feature traditional buildings with unconventional engineering techniques. Therefore it is obvious that the traditional insurance policy does not cover green buildings. The green environment in engineering designs, construction methods and building materials is completely different from those in traditional buildings. There is no doubt that some of the construction methods and materials used in these buildings have not been seriously tested. Therefore there are some defects and hidden issues that did not appear to date, and of course these vague things will significantly affect the parties to the insurance contract for green construction, so the insurance contracted parties should take the following possibilities under consideration:

- The insurance company may request overpay for a high insurance premium to avoid any unexpected loss and therefore the burden of this increase will be on the owner (the insured) or the participants in the construction process.

*Corresponding author: Dr. Shereen N. Abu Ghazaleh,
Amman Arab University, Jordan Street–Mubis - P.O Box 2234 -
Amman 11953 –Jordan.

- The insurance company may take the conditions in the insurance contracts for the traditional buildings and apply the same provisions to the green building, in this case there will be a conflict of provisions.

As a result, the green building environment introduced to us a lot of modern engineering techniques that are different from traditional buildings, so traditional insurance contract may not contain a lot of new issues in green buildings, since these new technologies need to mention special clauses in the insurance contract. For example, one of the modern techniques in green buildings is the presence of green spaces planted in the roofs of green buildings, and may have structures of solar cells or systems of water collection and sanitation, as the roofs of green buildings usually have a plant cover and the effect Tired Combined soil and water loads may pose potential risks to roofs, especially the risk of collapse. Green insurance contracts should include explicit cover for green roofing and the risk of vegetation cover and other systems for these buildings, as well as cover the risks of water leakage. The coverage of the insurance contract includes risks arising from the presence of trees, shrubs and plants located on the roof of green buildings. These areas are planted by grasses to shrubs and trees to reduce the heat inside the building. Usually, coverage of green insurance contracts does not cover sickness, Weatherⁱ. The insurance contract for the green building should indicated if such techniques are covered by insurance or not.

Green roofing of buildings raises also some issues such as soil movement that can occur up to hundreds of feet in the air rather than underground. This is one of the biggest problems of green roofing, as well as the extra weight of soil and vegetation that raises structural safety issues and may cause harm to the "Property " and others, because of the heavy weight of the soil, the courts have to resolve these issues based on underground soil movement treatments and how they will be applied to the movement of soil above the building, creating new issuesⁱⁱ. One of the non-traditional themes in green buildings is to provide wider protection outside the building's framework. The external elements of the green building that is intended to be constructed are necessary as a requirement for obtaining a green certificate. Green buildings therefore provide wider protection around the building, within a radius extending from the building up to 1000 feet. And the coverage may include covering the roof, underground systems, and personal property. This provides coverage to the owner of the building for the porous paddle systems, special irrigation systems, water collection systems, and other equipmentⁱⁱⁱ.

The new risks associated with the use of green materials

The use of materials used in construction operations varies in terms of manufacturing and installation, whether they are traditional materials used for a traditional building or green materials used to build a green building. In the traditional construction, it is usual for the contractor, to provide samples according to what is agreed upon in the contract, and to provide information about them, and the statement of origin, and must be approved by the engineer or supervisor of work before use, and allows the owner or his advisers to enter the site at all reasonable times to be able to supervise the production or the manufacture of these materials and the examination, inspection, measurement and testing of materials, and the employer or his adviser may refuse to accept these materials if there is a defect^{iv}.

In green construction, the mechanism of use and adoption of green materials varies according to the following:

Traditional green materials

In traditional non-green buildings, the submission of materials from the contractor or engineer and in any case, to execute the work may involve the use of non-defective structural materials that do not violate the agreed upon specifications. If the supplier of material breach his obligation and did not provide the right subsidy, he must ensure, if he used the defected material, he need to repair or exchange it with good one, then owner may terminate the contract and request for compensation. And if the repair is possible he may request it within a reasonable period of time, as long as the specification meets what is required.

That the compensation in general means the cash equivalent to the injured party after realizing the civil professional responsibility, and ensure the injured, whether it was the owner of the green building or other could claim to prove the responsibility of the professional. Where the importance of the green insurance contracts are highlighted, because it will determine what is required insurance from the insured and the limits of this insurance, because the insurer compensates only for actual damage and cannot be in any way a source of enrichment of the injured, so the value of the guarantee in the insurance contract is of great importance.

Since green building contracts are modern and therefore the professional may overlook the installation of technical issues of green buildings to be included in the compensatory cover of the insurance company, for example, the requirement that the insurance cover compensation for special materials suitable for these buildings as well as obtaining a green certificate. Therefore, the general articles in traditional insurance contracts can be applied as general provisions in green buildings, but they are not enough. Since compensation for or replacement of materials may be unacceptable solutions in green buildings. For example, green construction seeks to achieve a certain certificate and for green construction to achieve its goal, the design engineer will try to use all environmentally friendly materials and to create recycling systems. For example, most green building roofs are planted with green plants, or the designer uses organic materials such as cork floors and other works and materials, as they are considered one of the requirements of green buildings, but because of the use of defective or non-standard materials, made the green certificates difficult to get, therefore, the general rules of compensation will not cover the damage to the owner, and therefore the rules of compensation for damages vary between a traditional building and green building using green materials^v.

Materials used in green buildings may pose special risks. Examples include:

- When cultivating the surfaces, technical problems may occur, due to leakage of water from these surfaces leading to large defect in the building.
- The use of cork in the floors may lead to rot due to the susceptibility of cork to gain moisture.
- Water is used for cooling and irrigation, which may lead to leakage of irrigation in the runoff system and thus there is a possibility of mold growth.

- The use of certain materials such as wood and with a defect in the water leakage, these materials will be more sensitive to moisture, water or filtration.

The use of green materials will require additional expenses. In the case of insured damage, these additional items are not covered by insurance. Contractors with the insurance company must include their contracts to include coverage for new risks such as rot and mushroom because green buildings rely heavily on water use. Example of rainwater and runoff that is usually collected on site in green construction projects in order to be recycled. Materials and equipment used in alternative energy generation systems, which are more common in green buildings such as solar panels, wind turbines and geothermal heating systems, need to be properly insured. Either by providing comprehensive insurance coverage, because it is an important part of the owner's commercial property, and the property covered should clearly identify damages for these alternative energy systems^{vi}.

On other hand, insurance companies should carefully understand the benefits of materials used in green buildings, while also knowing the potential risks of using these materials and ways of maintaining them, and of course by consulting with green building professionals, so insurance companies will not be surprised by these additional costs and will also provide insurance services in a better way. The researchers argue that contrary to the prevailing view that the new materials and equipment green is not a justification for the increase in the value of insurance premiums because of the transformation of green building, and insurance companies are supposed to reduce the value of premiums for green buildings, because the new materials and green equipment will be much safer thus will be suffer less damage rate, The insured risks that will actually occur, will be much less than the traditional buildings. The green buildings have high security systems, so the unexpected and unexpected accidents will be very limited.

Sustainable green materials that are more specialized

The term sustainable materials emerged as a result of companies' competition to distinguish their products from the rest. Insurance companies have distinguished themselves from other companies by creating unconventional risks or by developing risks and insurance. Sustainable products are those of environmental, social and economic benefits throughout their entire life cycle, from the extraction of raw materials used to produce the product until final disposal. It is a special insurance risk that there are considerations regarding the use of green materials and the impact of climate on that use. Similarly, sustainable green materials insurance covers the design, production and use of these sustainable products, and / or covers the responsibility associated with their production and use. It also compensates for the environmental damage caused by climate change decisions or decisions that are made by executives. It also broadly covers the definition of sustainable / green products that have characteristics or features that promote green or sustainable behavior. Therefore, sustainable and green insurance products include a wide range of products including compensation for real estate (buildings) for renewable energy shortages, loans for disaster reduction, insurance for renewable energy structures, green building insurance, energy saving insurance, green building insurance

against negative advertising and insurance against the responsibility of green building engineers^{vii}.

Some green building materials has relatively new technology or have not been tested in practical construction applications, creating unknown risks and multiple risks. Thus, the contractor will be exposed to many cases as false claims or negligence. There will be a lot of compensation that will be committed by the insurer, and this will be reflected on the contractors by raising the insurance premiums to participants in green buildings such as the contractor. For example, some of important questions in the field of green buildings insurance which should be considered by the contractor and the insurance company:

- What is the cost of the green building materials?
- Does the contractor have the knowledge and experience to install "green" materials properly?
- Who should be responsible for the warranty for these materials?
- How should material requests be handled or equipment replaced to accommodate the installation of these green materials?

In most cases, the contractor often tries not to take responsibility for risks that are not within his control by the explicit provision of the contract, and the insurer must not assume responsibilities outside the control of the contractor.

In any case the contractor and insurance company assess the above risks and determine how they can manage those risks. Once these risks are clearly identified, the insurer can exclude any new risks from the insurance coverage. Usually the insurance contract covers only the contractor's obligations stipulated in the contract, or that the building will achieve the green construction certification desired, liability and compensation for any failure to achieve such a provisions could be excluded from the scope of the construction and the insurance contracts^{viii}.

There are some phrases that may be mentioned in the original contract between the owner and one of the green building participants, which define the liability of the contractor and/or take responsibility for some risks. Thus, such a risk exclusion will encourage insurance companies to make the insurance contract, because the obligations will be specific and there are no surprises. The exclusion should be clear and in a language that does not accept doubt and misinterpretation. Examples of terms that could be included in the contract to exclude the risk or limitation of contractor liability are: "irresponsibility for green building requirements, Not to include the contract to achieve a certain level of performance of green buildings", therefore, the clear identification of the roles of both parties helps to mitigate the risks and enhance the chances of project success^{ix}.

The use of green materials and pollution Risks

The use of some special materials in green buildings may not achieve the goal of using environmentally friendly materials. These materials may cause pollution to the environment if they are not properly selected. The traditional insurance policy usually does not include pollution. Although the nature of the green project is aimed to the benefit of human health and the environment on the grounds that they do not lead to pollution,

but we find, for example: that for years the courts have dealt with insurance disputes for coverage arising from the addition of MTBE to automotive fuel to improve its performance and quality rather than lead compounds, This material has been used basically to enable cleaner combustion with less emissions, but it turns out later that they lead by time to the contamination of groundwater, causing potential major health problems. Green building disputes may also include some examples, due to construction-related pollution, the release of carbon dioxide from manure piles, leakage of materials used in plant surfaces, the lack of water-resistant membranes, the disposal of specialized construction residues during green construction, and/or water rainfall used to build green water run off systems that may contain "pollutants" in large quantities sufficient to contaminate water supply. Of course, there are always unique materials being developed and used in building green buildings which can have the potential for unknown contamination.

Rehabilitation of Green Construction

Once the risks have been realized, rehabilitation of the green building may require the use of certain reconstruction methods or practices, some of which are not known in traditional insurance policies. For example, LEED certification requires that all or a large part of the rubble and debris are sorted and recycled at the site to be rehabilitated. This process may go beyond the cost of demolishing a building and disposing of debris at a landfill site. Compared to traditional insurance policies or fire insurance policies, these traditional policies only cover the cost of demolition and disposal of debris at the landfill site. Therefore, if the green construction contract does not stipulate that the insurance policy covers the recycling operations, in this case the owner will have the option to pay for the green reconstruction at his expense. The owner will also bear the additional costs of sorting and recycling the waste and meeting the green rehabilitation requirements⁸.

The insurance to the reconstruction and rehabilitation of properties to obtain green buildings in general, and after risk occurring of the insured against it, this contract will cover the rebuilding of the building using environmental friendly materials or to obtain more efficient systems in energy consumption rationalization when repairs are conducted^{xi}. Repair and recycling methods should begin immediately after the insured risk occurs and losses occur. The recycling of debris is considered an additional cost and will therefore not be covered by insurance. The green insurance contract must be supplemented by explicit provisions to cover the additional costs of separating and transferring rubble to recycling centers, rather than diverting them to the nearest landfill. For example, the removal of dry walls requires the separation of screws or bolts from the walls, for each to be treated separately. LEED certificates are granted as agreed upon in a green building contract, giving importance to recycling as a green standard and thus giving additional points to the building after final inspection to obtain this certificate. Waste transfer documents from contractor should be obtained and submitted to the accreditation body for recycling points^{xii}. Thus, the "green insurance" that can be obtained in the reconstruction of the building, must provide that, in case of collapse or destruction of the building due to fire or other reasons, it will be built on the same level of LEED certificate originally obtained for the

building. In addition, LEED-certified buildings can be secured to be rebuilt for LEED certification in the event of accidents^{xiii}. For example, if the green insurance contract allows for the reconstruction coverage of its original state, there will be no disputes in this case, because the clause is explicit here, and based on the principle that the contract is the law of contractors, the insurance company will bear the costs of recycling and return the building to its original state. However, in other hypotheses, there may be considerable disagreement between the insurance company and the owner or the party involved. For example, a particular green code may require special conditions for obtaining a green building certificate, and the insured risk is realized and caused damage to the green building that requires compensation and repair. The insurance company may attempt to evade these special conditions and adhere to the reconstruction in accordance to the general code if the cost is less expensive. On the other hand, despite the requirement of recycling and the return of the building to its original state as a green building, the criteria adopted during the contract in terms of classification of the green building have been changed, developed and updated after contracting. In this case, there will be proceedings between the parties; the insurance company will abide by the limits of the old warranty specifications. The insured will object to the fact that the green license is not granted to the building because of the last modification.

The insured will have to rebuild according to the latest update in the code, during which the building will be reclassified to receive a green certificate after the completion of the reconstruction work of the building again, and this will not be only according to the updated code, the insurance company will object to being committed only to what is agreed upon in the contract, which is the old green building code. Each building contract must have the conditions of the premises, namely the implementation of the building according to engineering plans, the reliance on specific codes and the basis of the contract, and the nature of this obligation to do work^{xiv}. In any event, to solve this issue, the insured must stipulate in the insurance contract that the insurer's commitment to the green reconstruction must be according to the latest amendment to the approved code; however this condition may cause the insurer demand of an increase in the amount of insurance. While in other cases, the re-obtaining of new green certificate may require rebuilding of the unaffected parts, and of course, additional costs will be required to update the unaffected parts to match the damaged parts that have been replaced to obtain the green certificate. Green insurance must explicitly provides who must pay the additional expenses if the building needs to modernize the parts that are not damaged.

Insurance contracts specialized in green buildings.

Insurance companies rely typically on standard policies for certain risks, but it is different in green building insurance contracts. On one hand, in Jordan there are no contracts and model policies for "greenhouse" in insurance companies, on the other hand, insurance companies may offer green insurance policies to suit these buildings and the new risks they generate. In both cases, insurance contracts will not be tight and will not be as efficient as the conventional contracts and insurance policies, due to the special conditions of the green building. Green insurance policies, either insurance policies of the

diligence of insurance companies, and therefore we will see a large inconsistency between these policies according to the vision of each company, and this is not found in the conventional insurance contracts, where there is a very similar inconsistency between the type of risk. The insurance companies will pay the green buildings with the value of the insurance premiums. Therefore, reliance on the scientific and statistical foundations on which the principles of setting the premium will be impossible, because these premiums are usually determined by statistical studies and probability theory, because there is actual correlation between the premium and the risk.

In any case, there are two types of specialized insurance policies offered for green construction, and they are as follows:

Insurance for the green renovation of the old buildings, where the owners of traditional buildings (old ones) were the reconstruction of these traditional buildings and the introduction of green systems, and there are usually increases of 2-3% of premiums to cover the high cost of green materials. In the event of a loss, the traditional building will be rebuilt into a green building. Thus, the old buildings will be insured by a green insurance contract, meaning that there is an old building that will be insured when exposed to any risk or damage. The insurance company will pay to rebuild it and make it a green building. This type of insurance is usually for buildings that have not been approved or approved as green buildings. For example, the Fierman fund covers the costs of the owner in the new construction after the insured risk is realized, ie, when the damage and loss of an old building is achieved, and the building is rebuilt according to green building standards, to the minimum level of green LEED certificates, Green certificates, or according to the requirements of the Federal Energy Star Program. The sustainability and energy efficiency of the building will be further enhanced^{xv}.

Securing the new green buildings that will be constructed, and provides for these buildings after the completion of works against any future loss of this green building^{xvi}. In this regard, the question arises; can the owner hold long-term insurance contracts? As is the case for long-term insurance contracts in conventional buildings?

Long-term contracts for conventional buildings have become axioms because they have been dealt with by insurance companies, relying on old insurance contracts, based on statistics and probabilistic theory, and thus knowing the value of the premiums according to insurance period. However, this way of dealing with green building insurance contracts is difficult. On the one hand, there is a difficulty in long-term green insurance contracts, for the modernity of these buildings and the absence of sufficient statistical data to verify the risks and their proportions. There are no fixed criteria for green buildings in the long run, The risks of these future buildings, and certainly the costs at the time of the damage are different from conventional contracts, except that it may appear in securing the green buildings with long contracts; hidden risks not calculated because of the nature of these buildings, materials and techniques used. As we have already seen, green building projects pose new risks and insurance coverage will be different from traditional buildings. A rare number of

insurance companies are trying to establish tables to determine insurance coverage and exceptions so that parties can know the risks covered by risks outside coverage. Until insurance companies begin to do so, courts have no choice but to cover "green" risks coverage under traditional coverage policies.^{xvii} Most of the items covering errors and omissions contain exceptions to warranties and guarantees. Therefore, designers must insist on adding clauses that indicate that their signature is only for the satisfaction of credit and for a particular rating system, and does not constitute any kind of guarantee or warranties. For example, if the green construction contract does not stipulate that the insurance policy covers recycling, in this case the owner and his own expense will be given the option of green reconstruction and the additional costs of sorting and recycling waste and meeting green rehabilitation requirements.

Green Building Certificate

Obtaining the a green certificate

One of the most important insurance items that the owner or his advisors consider is to obtain a green classification certificate or to obtain a degree of such certificates, such as gold or silver, etc., in order to ensure that the owner will bear all the damages he will incur if he does not receive this certificate. The architect and the participants must always make sure, when contracting with an insurance company, whether there is a term in the contract that guarantees compensation for the failure to obtain the green certificate. It should also be ensured that the failure to achieve LEED certification is covered. This is a very important issue, because many owners of green buildings adopt green standards and certification as a condition for their adoption as a green building and failure to do so may be a breach of contract.

In order to obtain a larger insurance cover, the landlord must request that the insurance cover all the effects or risks resulting from the failure of the building to obtain a green building certificate. These risks can be identified. For example, the insurance coverage includes denying the owner tax incentives, Damages contracted power shortages and other damage as a result of non-achievement of green certificate construction. Therefore, the owner must identify these insured damages and name them, because if the owner (the insured) is satisfied with a conventional insurance contract or hold green insurance on standard items without giving some details of the risks insured, this will give the insured to claim that these damages are not covered by the insurance contract is concluded. In most cases, the insured will succeed in the realization of these damages, indirect damage or unexpected direct damages, and in both cases, there is no contractual liability.

This means that the insurance company will not compensate for these damages. Therefore, it is suggested that the owner, engineer or executor of the green works and the insured to include a statement of the risks expected in clear clauses in the insurance contract, thus the insured will protect himself to obtain compensation for damages specified in the contract. So the insurance company will not evade liability. There is no doubt the failure of getting the green certificate for a building is one of the biggest problems, especially after the insured

completed all the reforms, or the problem that the building had a green building certificate, but did not mention the insurance contract to this point, so things will be vague, therefore, who will bear the losses resulting from non-classification, especially if the green classification gives certain privileges. Traditional types of damage to property generally do not raise any problems, and courts routinely deal with compensation cases to resolve disputes and cover building defects. But in green building insurance issues, the question is, how will the courts deal with green building issues? Such as the lack of a green certificate, which is an exciting issue. Where the courts consider the issue of non-acquisition, is only a case of contract breaching. And here arises the liability of the insurer when there is a violation of the contract only, and therefore can the insured request for compensation. This is expected to be issue in the court, but on the condition that the insured proves that he has lost the incentives to obtain a green building classification or certificate as a result of not meeting the requirements of green construction.^{xviii}

We conclude from the above that the owner seeks to obtain a green certificate, and certainly failure to obtain this certificate may cause a large and multiple losses, and since these buildings are modern, legislation in Jordan for the legal treatment of green buildings is inadequate, and if enacted legislation in the future to cover the legal aspects of these buildings, This legislation will certainly be accelerated and somewhat misunderstood, as there is not enough practical experience on such types of modern buildings. Therefore, green insurance contracts will be a safe haven for contractors to cover potential risks through the insurance company's liability statement. Clear and explicit terms for all the coverage that we have shown in this research, including obtaining a green certificate, the owner and professionals working in this area will be more reassured. In the opinion of the researchers that the owner of the green building or his advisers will ask for a green certificate guaranteed to the project, in order to ensure the cost of additional costs, otherwise, the green building will be very expensive without benefit, and of course the engineers and designers will hesitate to give this guarantee to the owner, and this subject will be discussed seriously before contracting, unless the participants resorted to Green Building to enter into an insurance contract different from the owner's insurance contract to insure their professional responsibility.

Consequently, if there is a clause in the green insurance contract, the insurer will be liable, if the same certificate is not obtained, because the judge will interpret the contract, as the responsibility of the insurer to obtain a certificate, and consider that there is an implied condition in case of not obtaining the same degree, according to general rules, if the debtor is committed, he must fully implement his obligations, and the responsibility shall be in the event that it is not implemented. Responsibility shall also be in the case of partial or defective execution. In the green insurance contract, there is only partial implementation, because the insured has a lower certificate, and therefore his responsibility is limited to the part after the regarding, and certainly here is the need to determine who is responsible in the green insurance contract. In case the insured pays the damages to the owner for obtaining a minimum degree of green certificate, and without the consent of the insured, or if the engineer or contractor has acknowledged his responsibility, in such cases, the insurer may be exempted from compensation to the owner for

damage, and exempted from that if the insured paid this guarantee to the insured. For example, the engineer or contractor paid the owner for the damage of obtaining a lower degree of the green certificate, and any delay that would have caused more harm, which is the lack of any green certificate, therefore the amount of compensation will be much greater, as stipulated in article 925 of the Jordanian Civil Code, that sates that:

- It may be agreed to exempt the insured from the guarantee if the beneficiary acknowledges his responsibility or pays the security to the injured party without the consent of the insured.
- This Agreement may not be invoked if the approval of the beneficiary is limited to a materialistic fact, or if it is proved that the payment of the guarantee was in the interest of the insurer".

Article 925 of the Jordanian Law, is met with paragraph 2 of Article 124 of the French Insurance Act, which reads as follows: the insurer can stipulate that no objection may be made against him by any acknowledgment of responsibility or any reconciliation made beyond him, and that acknowledgment of a fact cannot be tantamount to acknowledgment of responsibility."On the other hand, the specialized agencies in the issuance of green buildings classification certificates are many. If the agency is not mentioned in the building contract by the competent authority to give or re-give a new certificate, this will raise a new problem, the insured may ask a specific body for this classification, and does the insurer, but from another entity to classify the building, and at the same time there expenses would be different from the others. This problem can be solved through the adoption of a certain guarantee that is indicated in the green insurance contract. For example, the LEED certificate is specifically referred to, so it will be clear to both sides of the green insurance contract.

The delay of obtaining the new green certificate

Green certification requires long procedures and therefore takes a long time to re-evaluate the building and obtain a new certificate. This delay may cause multiple losses, such as loss of incentives, loss of tax breaks, and other losses. Obtaining a new green certificate after the rehabilitation of the building again, is it borne by the insured or the insured?. To solve this problem, it should be clearly stated in the contract the responsible party for the delay in reclassification, on the other hand, it is fair that the insurance company pay the major damage to the building, and wait for losses assessment due to delay in classification and its implications, for the second stage. Reconstruction of green buildings can usually take a long time, which must be observed in the contract, by providing a reasonable period of time for rehabilitation and introducing specialized equipment, or complex or normal systems. The owners of on-site power generation equipment must ensure that this coverage is sufficient and secure to compensate for the energy that cannot be sold on the network due to the loss of delay in reconstruction over the specified period. In addition, owners of on-site water generation or collection systems should maintain the cost of purchasing energy, water and other materials until equipment is repaired or replaced^{xix}.

Expenses of obtaining the green certificate after the reconstruction

To know what the building became after the reforms, and whether it is still within the green standards or not? whether it is still enjoying this green status for the purpose of issuing a green certificate? Whether it is still have the same degree or not? This requires a third party who is specialist to issue these certificates, which will certainly require payment of various expenses. Obtaining green certificate is one of the things that characterize green buildings. The procedures and expenses for issuing these certificates may be costly. These certificates are issued at different times. For example, the process begins after the completion of the green building works. The certificate after the modification of a traditional building to a green building, as well as in the case of the rehabilitation of a green building for the damages, or rehabilitation of a building to obtain a higher degree of classification, and other requests for this certificate, while the insurance contract may be unclear. So that it is not known who should bear the expenses of issuing these certificates, is it the insurer when the insured damage is realized? Or falls on the insured? These expenses are beyond the scope of the insurance coverage. Therefore, in order to resolve future disputes, it is better to clarify in the green insurance contracts who shall bear the expenses and determining the expenses of the third party that classifies the building mentioned in all insurance contracts for green buildings. The owner may also incur excessive professional fees for re-certification, which is not part of the insurance policy. There may be a need for consultants and engineers to participate in the rehabilitation, and there may be a need to add engineering works to the reconstruction plans. These additional costs may be included in two ways: either the insurance policy specifies these costs or expands the definition of additional expenditures to include rehabilitation expenses. Care should be taken to ensure appropriate coverage limits; the owner should consult with a sustainability consultant to provide realistic estimates of the limits required for general fees and consultants and services fees^{xx}.

Conclusion

The scope of green buildings is much wider than conventional buildings, and to avoid or limit liability and incur any additional expenses, the Green Buildings insurance contract can be initiated in terms of the conventional insurance contracts for buildings. In the green contract as a general condition only, with explicit detailed insurance terms in green building insurance contracts to include the risk of such buildings, such as the breach of a certain certificate, obtaining a certain degree of this certificate or placing the highest green certification as LEED Gold Certificates, so that the insurance company is a guarantor to achieve this goal. The insurance guarantees may also be increased to include other damages to the landlord as a result of the failure to obtain such a certificate, such as depriving the owner of tax incentives, depreciation of the building or damage to contracted power and other damages, Or delay in obtaining the green certificate, because if the insurance contract does not provide for these additional damages, the law will regard it as indirect damage and therefore may not be compensable. As the green building contracts are characterized by joint liability between several parties to implement them, we propose a collective insurance contract between the parties involved with the insurance

company to ensure compensation for the return of the green building after being damaged. For these reasons it is necessary to conclude an insurance contract with insurance companies between most of the parties to the relationship with the owner such as the engineers and contractors to determine their responsibility and not bear unexpected surprises to take responsibility in the new green construction contracts.

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