



**CONSTRUCTION & PREMISES PROTECTIVE INSURANCE AND
OWNER ACTING AS A GENERAL CONTRACTOR INSURANCE**

Built Just for You

Providing comprehensive coverage for owners and tenants at locations under construction or renovation

Why Coverage is Important:

- ▶ Provides both premises liability and coverage for the vicarious acts of the contractor or sub-contractors
- ▶ Broad eligibility to include ground up construction or renovation of an existing structure
- ▶ Builder's risk coverage can be considered on a separate policy for ground up construction; property coverage can be packaged with the general liability for renovation of an existing structure

As a property owner or tenant, you might think you're covered for claims under your hired contractor's insurance policy during construction or renovation at your location. What you may not realize is that a contractor's policy only provides coverage for construction-related claims. You might also be responsible to pay for a claim if a contractor's policy has cancelled or if the limits are not sufficient.

Our insurance offers coverage for both premises liability and vicarious acts of the contractor(s). The Construction & Premises Protective product offers coverage for owners or tenants of a location entering into a written contract with a general contractor. The Owner Acting as a General Contractor product is designed for those who are not general contractors by trade but are acting as a general contractor for the construction or renovation of an owned property.

Additional Advantages:

- ▶ A Berkshire Hathaway Co.
- ▶ Fast service
- ▶ A++ rating by A.M. Best
- ▶ Access to free and discounted solutions to help you run your business

Coverage for

Construction & Premises Protection and Owner Acting as a General Contractor

Why Coverage is Necessary:

- ▶ A pipe had dripped water from an air conditioning system onto the sidewalk of the insured's vacant commercial building. A contractor was doing work inside the building at the time. The water froze and a pedestrian slipped and fell on the ice, injuring her back. She went to the emergency room and was unable to work after the accident. The claim settled for \$55,000 with an additional \$10,000 paid for defense costs.
- ▶ A new tenant within a three story building was renovating his space prior to opening for business. A general contractor (hired by the tenant) left oily rags on the premises over the weekend that started a fire, which resulted in severe water and smoke damage to the building and to the property of the surrounding tenants. Though the general contractor was responsible for the loss, his general liability coverage had lapsed. The tenant's policy responded since he had hired the general contractor. The incurred loss totaled \$110,000.
- ▶ An investor had recently purchased a vacant apartment building that he planned to completely renovate. A month after he purchased the building and prior to any construction activity beginning, a pedestrian tripped on a uneven sidewalk in front of the building and fractured their finger. The injury later required surgery. The claimant alleged that the building owner was negligent in failing to adequately maintain the sidewalk, resulting in a claim payment of \$20,000.

Construction & Premises Protective

Eligible Risks:

- ▶ Risks with up to \$5,000,000 in total project costs
- ▶ New construction projects or renovation of an existing structure
- ▶ Applicant is entering into a written contract with a general contractor

Most Common Ineligible Risk Characteristics:

- ▶ Applicant will be performing direct labor
- ▶ Project has already started
- ▶ Adding of stories to existing structures

Owner Acting as a General Contractor

Eligible Risks:

- ▶ Risks with up to \$1,000,000 in total project costs
- ▶ New construction projects or renovation of an existing structure
- ▶ Applicant is acting as the general contractor for this project only

Most Common Ineligible Risk Characteristics:

- ▶ Applicant is a general contractor by trade
- ▶ Project has already started
- ▶ Adding of stories to existing structures