

## DELUXE CONTRACTORS PROGRAM

This special program is intended to insure contractors that are involved in the actual work of their trade versus general contractors with a high percentage of their work contracted out.

Property and/or Inland Marine Coverage must be purchased with Liability Coverage to be eligible. This program is written under a Commercial Package Policy (CPP), so forms, loss cost multipliers, etc. in the Property, Inland Marine, General Liability and Crime sections apply unless an exception is listed for this Program.

### ELIGIBILITY

Eligible contractors must meet all of the following requirements:

1. Have for a minimum of 3 years:
  - a. Been in business for themselves,
  - b. Been licensed, and
  - c. Carried insurance
2. 3 story exterior height maximum
3. Less than \$3,000,000 annual gross receipts

### ELIGIBLE CLASSES

Class

Code Description

- 91155 Appliances and Accessories – installation, servicing or repair – household
- 91340 Carpentry – residential property not exceeding 3 stories
- 91341 Carpentry – interior
- 91405 Carpet, Rug, Furniture or Upholstery Cleaning
- 91551 Communication Equipment Installation – industrial or commercial (within buildings)
- 91560 Concrete Construction (no excavating or building construction over 1 story)
- 92215 Driveway, Parking Area or Sidewalk (flat work)
- 92338 Dry Wall or Wallboard Installation
- 92451 Electrical Apparatus – installation, servicing or repair (including satellite dishes)
- 92478 Electrical Work – within buildings (wiring)
- 94007 Excavation (for basements, foundations and other structures at residential or small commercial job sites – no water, sewer or gas mains or street, road or bridge work)
- 94276 Fence Erection Contractors
- 94569 Floor Covering Installation
- 97653 Gutter and Downspout Installation and Repair
- 95647 Heating or Combined Heating and Air Conditioning – installation, servicing or repair (no woodburning stoves)
- 96816 Janitorial Services (services only in offices and stores after hours – no window cleaning above 1 story)
- 97447 Masonry Work (no exterior work above 3 stories)
- 98304 Painting – exterior or interior (no exterior work above 3 stories)
- 98344 Paperhanging (and decorating)
- 98449 Plastering or Stucco Work
- 98482 Plumbing (commercial or residential)
- 98636 Refrigeration Systems or Equipment – installation, servicing or repair (commercial work only)
- 98678 Roofing – residential only. \$1000 min. PD and BI deductible applies per claim
- 98884 Sheet Metal Work
- 98967 Siding Installation (no work over 3 stories)
- 99746 Tile, Stone, Marble, Mosaic or Terrazzo Work
- 99948 Water Softening Equipment – installation, servicing or repair (including showrooms and rental)

- A \$500 minimum property damage deductible applies per claim.

## **PROPERTY COVERAGE**

If coverage is purchased for Building(s) and/or Business Personal Property, the only coverage available is CP 10 30 Causes of Loss – Special Form. The minimum coinsurance is 80%.

If Building and/or Business Personal Property Coverage is purchased, the following coverage will be added:

- \$50,000 Business Income (and Extra Expense) Coverage
- \$10,000 Electronic Data Processing Coverage
- \$10,000 Mechanical Breakdown and Disturbance Coverage, with a \$1,000 deductible
- \$ 2,500 Inside the Premises – Theft of Money and Securities
- \$ 2,500 Outside the Premises
- \$ 2,500 Outdoor Property, but not more than \$250 for any one tree, shrub or plant
- \$ 2,500 Signs attached to covered buildings
- 25% Increase in Business Personal Property to provide for project and seasonal variations
- 5% Inflation Guard coverage for insured buildings

### Use Forms

CP FM 10, Contractors Property Enhancement Endorsement  
CR 00 21, Commercial Crime Coverage Form (Loss Sustained Form)

- The premium is \$25 and is not subject to modification.

### **PROPERTY RATES AND UNDERWRITING RULES- Refer to manual**

- Maximum combined property value (Building and Business Personal Property) at any one location is \$300,000. Call your underwriter if maximum exposed value exceeds \$300,000.
- \$500 deductible applies.
- Replacement cost to 100% required.
- \$100 property minimum premium applies.
- Contact company for other construction types or for territories other than remainder of state.

## **GENERAL LIABILITY COVERAGE- Required Coverage**

### **Premium Basis**

The premium basis is payroll. Use \$19,600 payroll for each full time employee and for each owner, partner or executive officer active in the business. For part time employees, use their actual payroll up to a maximum payroll of \$19,600 for each part time employee.

For insured subcontractors, use the total cost of work let or sublet to contractors.

For uninsured subcontractors, determine the correct classification for each subcontractor. If the contract lists the payroll, use the payroll from the contract. If it is a materials and labor contract, assume 50% of the contract price is the payroll. For a labor only contract, use 100% of the contract price for the payroll.

### **Coverage Enhancement**

The following coverage will be added:

- Carbon monoxide is not included in the definition of "pollutants"
- \$2,500 per occurrence property damage to personal property of others in the insured's care, custody and control
  - \$100 deductible
  - subject to a \$5,000 annual aggregate
- \$2,500 per occurrence property damage to real property on which the insured is performing operations,
  - \$100 deductible
  - subject to a \$5,000 annual aggregate

Use Form CG FM 10, Contractors Commercial General Liability Enhancement Endorsement

- There is no charge for this enhancement

## **INLAND MARINE COVERAGE**

### **Coverage Enhancement**

- The following coverages will be added to all Deluxe Contractors Program policies:
- \$5,000 Accounts Receivable if a building and/or Business Personal Property is covered in the policy.
- \$5,000 Builders' Risk Coverage for buildings and structures while in the course of construction with a \$250 deductible. This includes materials and supplies owned by the insured (or owned by others that is in the insured's care, custody or control). Coverage is on a replacement cost basis.
- \$5,000 Soft Cost and Rental Income Coverage
- \$5,000 Contractors' Equipment Coverage with a \$1,000 limit on any one tool
- \$5,000 Installation Floater Coverage. Coverage is on a replacement cost basis.
- \$10,000 Debris Removal
- \$1,500 Fire Department Service Charges
- \$10,000 Pollutant Cleanup and Removal
- A \$500 deductible applies, except to Soft Cost and Rental Income Coverage and to Fire Department
- Service Charges, which have no deductible.

Use Form IM FM 10, Contractors Inland Marine Enhancement Endorsement

- The premium is \$75 and is not subject to modification

**OPTIONAL COVERAGES**

**Subcontracted Work** (rates apply per \$1,000 of total cost)

Limits	\$300/\$600	\$500/\$1M	\$1M/\$2M
Rate	1.00	1.50	1.95

**Delete Exclusion – Damage to Work Performed by Subcontractors**

There is a \$250 flat charge to delete CG 2294 Exclusion – Damage to Work Performed by Subcontractors. Please indicate on the rating worksheet and the application if selected.

Use Form CG FM 11, Deletion of Exclusion for Damage to Work Performed by Subcontractors on Your Behalf

**TERRITORY 505**

**LIABILITY RATES** – Rates apply per \$1,000 of payroll- **Refer to manual**

- A \$500 minimum property damage deductible applies per claim.
- ++ A \$1,000 minimum property damage and bodily injury deductible applies per claim.