

A man with a beard and dark hair, wearing a grey vest over a red and black plaid shirt, is looking down at a tablet computer. He has large red headphones around his neck. He is sitting at a workbench in a workshop, with a pencil in his hand and a notebook open in front of him. The background is a blurred workshop with various tools and equipment.

Contractors  
**ADVANTAGE**  
Insurance Program

## Program Guidelines

# Overview



## SCOPE OF COVERAGE

### APPROVED TERRITORY

California

### ELIGIBLE RISKS

#### General Contractors

Provides general liability coverage for small to medium-sized general contractors within the approved territory. This includes the following types of residential general contractors with less than \$15,000,000 in annual receipts and less than \$3,000,000 for any given project; commercial general contractors with less than \$45,000,000 in annual receipts and less than \$15,000,000 for any given project:

- a) Residential Home Builders
- b) General Contractors involved in residential or commercial remodeling and tenants' improvements.
- c) Commercial Builders

#### Artisan Contractors

Provides general liability coverage for small to medium-sized artisan contractors within the approved territory. This includes residential and commercial contractors involved in new construction and service/repair/remodel work with less than \$10,000,000 in annual receipts, less than \$2,000,000 in annual construction payroll.

## GENERAL RULES

### UNDERWRITING CRITERIA

- a) Currently valued loss runs for the past three (3) years are required when premium is above \$5k and a signed no loss letter for accounts under \$5k.
- b) A signed contractor's supplemental application must be completed within ten (10) days of binding.
- c) Loss History
  1. No losses in the last three (3) years

### INELIGIBLE RISKS

Risks that have any one of the following characteristics are not eligible for this program:

- a) Risks without at least 1 year continuous coverage with no losses.
- b) Work on new condominiums, townhouses, or tract homes with over twenty-five (25) units at any time in the development.
- c) Work on occupied student housing.
- d) Remodeling/repair work on senior housing, assisted living facilities or retirement homes THAT PROVIDE ON-SITE SKILLED MEDICAL OR ON-SITE NON-SKILLED CARE (ref: AG19960121).
- e) Any structural work, including grading and excavation, on slopes of greater than 30 degrees. Retaining wall may not exceed 6 feet in height, or excavation over 6 ft deep.
- f) Sales, installation, service or repair of automatic fire extinguishing systems, boilers, elevators, escalators, surveillance systems or TV monitoring systems, either commercial or residential.
- g) Sales, installation service or repair of wood, coal or waste oil-burning stoves.



**INELIGIBLE RISKS CONT'D**

- h) Removal or installation of asbestos insulation or asbestos containing material, fungus, molds, or installation of insulation materials other than fiberglass, rock wool, or plastic.
- i) Sales or application of chemicals such as herbicides or pesticides unless incidental application of “over-the-counter” herbicides or pesticides on lawns under the insured’s regular care.
- j) Work for petroleum, industrial, or chemical facilities.
- k) Operations/work on or for airport, elevator, environmental remediation, railroad, swimming pool construction, traffic lights, underground tanks, skylights, or EIFS.
- l) Utility/Main Line fiber optic cable work or installation.
- m) Tunneling.
- n) Any exterior work over four (4) stories in height.
- o) General Contractors who have been personally bankrupt or the principal in a company that has been bankrupt within the past three (3) years.
- p) Recreational or playground construction.
- q) Contractors where any officer, owner, or partner has been indicted or convicted of the crime of fraud, bribery, or arson.
- r) Risks involved in demolition of structures exceeding one (1) story in height, and/or demolition of any structure by wrecking ball or explosives.
- s) Any contractor involved in foundation repair, stabilization and/or retrofitting.

**PRIOR WORK COMPLETED**

AG1919 Prior Work Exclusion is mandatory, but may be deleted or set with a retro date prior to policy inception only if the following are met:

- 1) Prior to binding, we are in receipt of 3-years currently valued loss runs evidencing continuous and comparable prior coverage to remove, or 1-2 years for a retro date; and
- 2) The loss runs show no losses; and
- 3) Coverage was with an acceptable AM Best rated carrier or program.

**REFERRAL TO UNDERWRITER FOR APPROVAL**

Manual premium (rate x exposure) > \$25,000 are subject to referral to the Underwriter prior to quoting.

**MINIMUM PREMIUM**

Occurrence	
Sub Exposure Under 25%	\$500
Sub Exposure Over 25%	\$1,750

  

Maximum Subcontracted Percentage	
Sub Exposure Under 25%	25%
Sub Exposure Over 25%	100%





# Overview

## POLICY TERMS & CONDITIONS

### POLICY TERM

Policies are to be issued for a term of twelve (12) months.

### MINIMUM EARNED PREMIUM

Minimum earned premium: 25%

### MAXIMUM COVERAGE LIMITS

Coverage	Limit
General Aggregate	\$2,000,000
Products Aggregate	\$2,000,000
Per Occurrence	\$1,000,000
Personal & Advertising Injury	\$1,000,000
Fire Damage Legal Liability	\$100,000
Medical Payment Expense	\$5,000



### DEDUCTIBLES

Bodily Injury / Property Damage standard deductible per claim is \$1,000, but can go down to \$250 on select classes, with some class specific deductibles as identified in the Class Code schedule on the following page.

### CANCELLATIONS

- a) If canceled by Company/Affiliated, return premium will be calculated pro-rata.
- b) If canceled by the insured, return premium may be subject to short-rate penalty.

## RATING

### SCHEDULE RATING

- a) 30% Authority when < \$25k manual premium
- b) Refer to Underwriter
  - 1) when > 30% credit on < \$25k manual premium
  - 2) when >\$25k manual premium

### TERRORISM RISK INSURANCE ACT (TRIA)

TRIA coverage for war and terrorism will be offered to all insureds in the Program for an additional premium of \$500 or 10% of the premium, whichever is greater. Non-TRIA war and terrorism coverage is not provided in the Program. The ISO form CG 2190 – Exclusion of Punitive Damages Related to a Certified Act of Terrorism Endorsement is to be attached to each policy.

## LOSS CONTROL

### FEES

\$150 Inspection Fee



Code	Description
90089	<b>Advertising Sign Companies – Outdoor</b> No insureds that work over 3 stories. This classification is applicable to risks selling space for advertising purposes and includes shop operations, the erection, painting, repair or removal of signs, sign painting or lettering in or upon buildings or structures and the existence hazard of signs located away from the insured's premises. Advertising agencies shall be classified and rated under the appropriate "Buildings – office" classification.
10010	<b>Air Conditioning Equipment – Dealers Or Distributors Only</b> This classification applies to risks engaged in sales and installation, servicing or repair of air-conditioning systems or equipment. This classification also applies to risks engaged only in installation, servicing or repair of air-conditioning systems or equipment. The classification includes: (a) The sales and installation of ducts and piping; (b) Shop and display rooms. The sales of household type appliances including room air-conditioners shall be separately classified and rated. Any sheet metal work incidental to this class is included Minimum \$1000 PD deductible to apply.
91111	<b>Air Conditioning Systems Or Equipment – Dealers Or Distributors And Installation, Servicing Or Repair</b>
91127	<b>Alarms And Alarm Systems – Installation, Servicing Or Repair</b>
91315	<b>Cable Or Subscription Television Companies</b>
91340	<b>Carpentry – Construction Of Residential Property Not Exceeding Three Stories In Height</b> Risks performing any roofing work are excluded. Scaffolding work must be carried out by an independent contractor; Ineligible for this class code- Door or window manufacturing.; Work on commercial properties.; Refinishing of floors or furniture; Dock construction.; Hurricane shutter installation.; Cabinet manufacturing. Work involving children's playground equipment.; Roof decking.
91341	<b>Carpentry – Interior</b> Risks performing any roofing work are prohibited in this class. Any scaffolding work must be carried out by an independent contractor
91342	<b>Carpentry – NOC</b> Usage acceptable for residential remodeling payroll excluding roofing Risks performing any roofing work are prohibited in this class. Any scaffolding work must be carried out by an independent contractor. Ineligible for class code are Excavation work; Door or window manufacturing; Specialty contractors, including roofing & wallboard contractor; Refinishing of floors or furniture; Dock construction; Hurricane shutter installation; Cabinet manufacturing; Work involving children's playground equipment; Roof decking.
91343	<b>Carpentry – Shop Only</b>
91405	<b>Carpet, Rug, Furniture Or Upholstery Cleaning – On Customer's Premises</b> Floor waxing is prohibited. "Warning - Wet Floor" signs should be used. Minimum PD deductible of \$1,000 to apply. Refer To Contractors GL Guidelines
91436	<b>Ceiling Or Wall Installation – Metal</b> Other than metal classify and rate as Dry Wall or wallboard installation. Exterior Insulation and Finish System Exclusion Applies.
91481	<b>Chimney Cleaning</b>
91523	<b>Cleaning – Outside Surfaces Of Buildings</b>
91551	<b>Communication Equipment Installation – Industrial Or Commercial</b>
91560	<b>Concrete Construction</b> (No foundation repair, stabilization and/or retrofitting) No structural work including foundation repair, drilling and any crane exposures. No Swimming pool work. No bridge, dam, tunnel or sewer construction. No gunite or shot-crete work. No pile driving, subway construction, caisson or cofferdam work or highway construction. No playground work. Work exceeding 3 stories is prohibited. Minimum PD deductible \$1,000.
91580	<b>Contractors – Executive Supervisors</b>
91581	<b>Contractors – Subcontracted Work – In Connection With Construction, Reconstruction, Erection Or Repair Not Buildings – NOC</b> This classification applies to that portion of the operations performed by adequately insured subcontractors of the insured.
91582	<b>Contractors – Subcontracted Work – In Connection With Building Construction, Reconstruction, Repair Or Erection – Apartment Or Office Buildings Over Four (4) Stories</b> This classification applies to that portion of the operations performed by adequately insured subcontractors of the insured.
91583	<b>Contractors – Subcontracted Work – In Connection With Building Construction, Reconstruction, Repair Or Erection – One Or Two-Family Dwellings</b> This classification applies to that portion of the operations performed by adequately insured subcontractors of the insured.

## CONTRACTORS ADVANTAGE PROGRAM GUIDELINES

Code	Description
91585	<b>Contractors – Subcontracted Work – In Connection With Construction, Reconstruction, Repair Or Erection Of Buildings – NOC</b> This classification applies to that portion of the operations performed by adequately insured subcontractors of the insured.
91590	<b>Contractors Permanent Yards – Maintenance Or Storage Of Equipment Or Material</b> An Independent Asbestos Abatement contractor must be hired for any asbestos removal. Minimum \$1000 PD deductible to apply.
91629	<b>Debris Removal – Construction Site</b>
91746	<b>Door, Window Or Assembled Millwork – Installation – Metal</b> Submit if power or automatic doors are installed. Also submit if any "hurricane" doors or windows.
92215	<b>Driveway, Parking Area Or Sidewalk – Paving Or Repaving</b> Classification does not include clearing right-of-way, earth or rock excavation, filling or grading of land. Minimum \$1000 PD deductible to apply
92338	<b>Dry Wall Or Wallboard Installation</b>
92451	<b>Electrical Apparatus – Installation, Servicing Or Repair – NOC</b> Alarm Installation is prohibited. Minimum \$1000 PD deductible to apply - use the Deductible Liability endorsement. Apply the Polychlorinated Biphenyl (PCB) Exclusion.
92478	<b>Electrical Work – Within Buildings</b> Includes installation or repair of electrical fixtures and appliances and incidental outside work. It does NOT include installation of alarms or alarm systems, electrical machinery or auxiliary apparatus. No cell phone tower work.
94007	<b>Excavation</b>
94276	<b>Fence Erection Contractors</b> Excludes automatic gates, fencing alongside highways, airports and safety barrier work. Submit any risks installing razor wire or electrified fencing. Minimum \$500 PD deductible to apply - use Deductible Liability endorsement
94569	<b>Floor Covering Installation – Not Ceramic Tile Or Stone</b>
95124	<b>Furniture Or Fixtures – Installation In Offices Or Stores – Portable – Metal Or Wood</b>
13590	<b>Glass Dealers And Glaziers</b> This classification includes bending, grinding, beveling or silvering of plate glass. No insureds eligible that work over 3 stories (or submit). No sub- contracted work.
95410	<b>Grading Of Land</b>
95647	<b>Heating Or Combined Heating And Air Conditioning Systems Or Equipment – Dealers Or Distributors And Installation, Servicing Or Repair – No Liquefied Petroleum Gas</b> Any fireplace or wood burning stove installation is prohibited. Any sheet metal work incidental to this class is included. Minimum \$1000 PD deductible
96053	<b>House Furnishings Installation – NOC</b> This classification includes incidental upholstery and floor covering installation. Minimum \$500 PD deductible to apply - use Deductible Liability endorsement.
96408	<b>Insulation Work – Plastic – NOC</b>
96409	<b>Insulation Work – Organic Or Plastic In Solid State</b>
96410	<b>Insulation Work – Mineral</b>
96611	<b>Interior Decorators</b> Risks performing any design services must have Professional Liability coverage. Submit risks performing work on any structures over 2 stories.
96816	<b>Janitorial Services (Floor waxing no more than 5% of gross receipts)</b> This classification includes firms that clean commercial and industrial establishments, and also private residences. Floor waxing limited to no more than 5% of receipts. Floor waxing and cleaning in supermarkets, malls, stores, airports, bus and train terminals, medical facilities, construction sites or governmental buildings is prohibited. Minimum \$1000 PD deductible to apply.
97047	<b>Landscape Gardening</b>
97050	<b>Lawn Care Services</b> Coverage is included for incidental application of "over-the-counter" herbicides or pesticides on lawns under the insured's regular care. Use Lawn Care Services Coverage Endorsement CG 22 93. Risk required to obtain a license or permit to apply herbicides or pesticides are ineligible
97111	<b>Logging And Lumbering (Overcut Exclusion Mandatory)</b> Use Exclusion – Logging And Lumber Operations Endorsement CG 22 54
97447	<b>Masonry – No Stucco Work. No Swimming Pool Work</b>
97652	<b>Metal Erection – In The Construction Of Dwellings Not Exceeding 2 Stories In Height (\$2,500 Mp)</b>

## CONTRACTORS ADVANTAGE PROGRAM GUIDELINES

Code	Description
97650	<b>Metal Erection – Decorative Or Artistic</b> Refer risks performing work on any structures over 2 stories. Minimum \$1000 PD deductible to apply
97653	<b>Metal Erection – Nonstructural – NOC</b> Refer risks performing work on any structures over 2 stories. Minimum \$1000 PD deductible to apply
98111	<b>Office Machines Or Appliances – Installation, Inspection, Adjustment, Repair</b> Also includes shop operations.
98304	<b>Painting – Exterior – Buildings Or Structures – 3 Stories Or Less In Height – NOC</b>
98305	<b>Painting – Exterior – Buildings Or Structures</b>
98308	<b>Painting – Shop Only</b>
98344	<b>Paperhanging</b>
98482	<b>Plumbing – Commercial And Industrial (\$2,000 MP)</b> No LPG Gas. Includes installation, service or repair of sanitary gas, steam, hot water, pipe or other pipe fittings including building connections. No sewer contractors. No interior sprinkler system work of any kind.
98483	<b>Plumbing – Residential Or Domestic (\$2,000 MP)</b> Also includes house connections. No LPG gas. No sewer contractors. No interior sprinkler system work of any type. Minimum \$1000 PD.
98502	<b>Prefabricated Building Erection</b>
98678	<b>Roofing – Residential (\$2,500 MP)</b>
98677	<b>Roofing – Commercial (\$2,500 MP)</b>
98805	<b>Septic Tank Systems – Cleaning</b>
98806	<b>Septic Tank Systems – Installation, Servicing Or Repair</b> Apply CG 2142 as applicable. No installation work allowed unless any and all excavation work is carried out by an independent contractor with CGL limits equal to or greater than those of our insured, and our insured is added to their CGL as an Additional Insured
98884	<b>Sheet Metal Work – Outside</b>
98967	<b>Siding Installation</b> This classification includes sheet metal work and any shop operations. Classify any wood siding installation as "Carpentry". Minimum PD deductible \$1000.
98993	<b>Sign Erection, Installation Or Repair</b> Includes any shop operations. Submit if any crane operations.
99003	<b>Sign Painting Or Lettering – Inside Of Buildings</b> This class includes shop ops and the existence hazard of signs located away from the insured's premises.
99004	<b>Sign Painting Or Lettering On Buildings Or Structures</b> This class includes shop ops and the existence hazard of signs located away from the insured's premises.
99080	<b>Solar Energy Contractors.</b>
99303	<b>Street Cleaning (No Snow Removal)</b>
99505	<b>Swimming Pool Servicing</b> This classification applies to risks engaged in routine maintenance of swimming pools, such as cleaning filters, vacuuming and maintaining proper pH level, but not involved in any major repair work.
99650	<b>Television Or Radio Receiving Set Installation Or Repair- Residential Only</b>
99746	<b>Tile, Stone, Marble, Mosaic Or Terrazzo Work – Interior Construction</b> Exterior construction work shall be separately classed and rated as "Masonry". Fireproof tile construction prohibited.
99777	<b>Tree Pruning, Dusting, Spraying, Repairing, Trimming Or Fumigating (\$1,500 MP)</b> Minimum \$1000 PD deductible. Apply CG 2264 Pesticide or Herbicide Applicator Coverage, Tree trimming, Pruning & Removal Endorsement
99793	<b>Truckers</b> Storage Warehouse should operations should be separately classed and rated. For premium computation purposes include the payroll of terminal employees and garage or repair persons.
99948	<b>Water Softening Equipment – Installation, Servicing Or Repair</b> Minimum \$1000 PD deductible
99975	<b>Window Cleaning</b> Refer Work over 3 stories.