

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. In the background, a workshop is visible with various tools and equipment. The lighting is warm and focused on the man.

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%	\$1,000
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 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

\$75 Inspection Fee



Code	Description
90089	Advertising Sign Companies – Outdoor 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	Air Conditioning Equipment – Dealers Or Distributors Only 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	Air Conditioning Systems Or Equipment – Dealers Or Distributors And Installation, Servicing Or Repair
91127	Alarms And Alarm Systems – Installation, Servicing Or Repair
91315	Cable Or Subscription Television Companies
91340	Carpentry – Construction Of Residential Property Not Exceeding Three Stories In Height 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	Carpentry – Interior Risks performing any roofing work are prohibited in this class. Any scaffolding work must be carried out by an independent contractor
91342	Carpentry – NOC 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	Carpentry – Shop Only
91405	Carpet, Rug, Furniture Or Upholstery Cleaning – On Customer's Premises 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	Ceiling Or Wall Installation – Metal Other than metal classify and rate as Dry Wall or wallboard installation. Exterior Insulation and Finish System Exclusion Applies.
91481	Chimney Cleaning
91523	Cleaning – Outside Surfaces Of Buildings
91551	Communication Equipment Installation – Industrial Or Commercial
91560	Concrete Construction (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	Contractors – Executive Supervisors
91581	Contractors – Subcontracted Work – In Connection With Construction, Reconstruction, Erection Or Repair Not Buildings – NOC This classification applies to that portion of the operations performed by adequately insured subcontractors of the insured.
91582	Contractors – Subcontracted Work – In Connection With Building Construction, Reconstruction, Repair Or Erection – Apartment Or Office Buildings Over Four (4) Stories This classification applies to that portion of the operations performed by adequately insured subcontractors of the insured.
91583	Contractors – Subcontracted Work – In Connection With Building Construction, Reconstruction, Repair Or Erection – One Or Two-Family Dwellings This classification applies to that portion of the operations performed by adequately insured subcontractors of the insured.

CONTRACTORS ADVANTAGE PROGRAM GUIDELINES

Code	Description
91585	Contractors – Subcontracted Work – In Connection With Construction, Reconstruction, Repair Or Erection Of Buildings – NOC This classification applies to that portion of the operations performed by adequately insured subcontractors of the insured.
91590	Contractors Permanent Yards – Maintenance Or Storage Of Equipment Or Material An Independent Asbestos Abatement contractor must be hired for any asbestos removal. Minimum \$1000 PD deductible to apply.
91629	Debris Removal – Construction Site
91746	Door, Window Or Assembled Millwork – Installation – Metal Submit if power or automatic doors are installed. Also submit if any "hurricane" doors or windows.
92215	Driveway, Parking Area Or Sidewalk – Paving Or Repaving Classification does not include clearing right-of-way, earth or rock excavation, filling or grading of land. Minimum \$1000 PD deductible to apply
92338	Dry Wall Or Wallboard Installation
92451	Electrical Apparatus – Installation, Servicing Or Repair – NOC Alarm Installation is prohibited. Minimum \$1000 PD deductible to apply - use the Deductible Liability endorsement. Apply the Polychlorinated Biphenyl (PCB) Exclusion.
92478	Electrical Work – Within Buildings 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	Excavation
94276	Fence Erection Contractors 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	Floor Covering Installation – Not Ceramic Tile Or Stone
95124	Furniture Or Fixtures – Installation In Offices Or Stores – Portable – Metal Or Wood
13590	Glass Dealers And Glaziers This classification includes bending, grinding, beveling or silvering of plate glass. No insureds eligible that work over 4 stories (or submit). No sub- contracted work.
95410	Grading Of Land
95647	Heating Or Combined Heating And Air Conditioning Systems Or Equipment – Dealers Or Distributors And Installation, Servicing Or Repair – No Liquefied Petroleum Gas Any fireplace or wood burning stove installation is prohibited. Any sheet metal work incidental to this class is included. Minimum \$1000 PD deductible
96053	House Furnishings Installation – NOC This classification includes incidental upholstery and floor covering installation. Minimum \$500 PD deductible to apply - use Deductible Liability endorsement.
96408	Insulation Work – Plastic – NOC
96409	Insulation Work – Organic Or Plastic In Solid State
96410	Insulation Work – Mineral
96611	Interior Decorators Risks performing any design services must have Professional Liability coverage. Submit risks performing work on any structures over 2 stories.
96816	Janitorial Services (Floor waxing no more than 5% of gross receipts) 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	Landscape Gardening
97050	Lawn Care Services 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	Logging And Lumbering (Overcut Exclusion Mandatory) Use Exclusion – Logging And Lumber Operations Endorsement CG 22 54
97447	Masonry – No Stucco Work. No Swimming Pool Work
97652	Metal Erection – In The Construction Of Dwellings Not Exceeding 2 Stories In Height (\$2,500 MP)

CONTRACTORS ADVANTAGE PROGRAM GUIDELINES

Code	Description
97650	Metal Erection – Decorative Or Artistic Refer risks performing work on any structures over 2 stories. Minimum \$1000 PD deductible to apply
97653	Metal Erection – Nonstructural – NOC Refer risks performing work on any structures over 2 stories. Minimum \$1000 PD deductible to apply
98111	Office Machines Or Appliances – Installation, Inspection, Adjustment, Repair Also includes shop operations.
98304	Painting – Exterior – Buildings Or Structures – 4 Stories Or Less In Height – NOC
98305	Painting – Exterior – Buildings Or Structures
98308	Painting – Shop Only
98344	Paperhanging
98482	Plumbing – Commercial And Industrial (\$3,000 MP) 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	Plumbing – Residential Or Domestic (\$3,000 MP) Also includes house connections. No LPG gas. No sewer contractors. No interior sprinkler system work of any type. Minimum \$1000 PD.
98502	Prefabricated Building Erection
98678	Roofing – Residential (\$2,500 MP)
98677	Roofing – Commercial (\$2,500 MP)
98805	Septic Tank Systems – Cleaning
98806	Septic Tank Systems – Installation, Servicing Or Repair 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	Sheet Metal Work – Outside
98967	Siding Installation This classification includes sheet metal work and any shop operations. Classify any wood siding installation as "Carpentry". Minimum PD deductible \$1000.
98993	Sign Erection, Installation Or Repair Includes any shop operations. Submit if any crane operations.
99003	Sign Painting Or Lettering – Inside Of Buildings This class includes shop ops and the existence hazard of signs located away from the insured's premises.
99004	Sign Painting Or Lettering On Buildings Or Structures This class includes shop ops and the existence hazard of signs located away from the insured's premises.
99080	Solar Energy Contractors.
99303	Street Cleaning (No Snow Removal)
99505	Swimming Pool Servicing 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	Television Or Radio Receiving Set Installation Or Repair- Residential Only
99746	Tile, Stone, Marble, Mosaic Or Terrazzo Work – Interior Construction Exterior construction work shall be separately classed and rated as "Masonry". Fireproof tile construction prohibited.
99777	Tree Pruning, Dusting, Spraying, Repairing, Trimming Or Fumigating (\$1,500 MP) Minimum \$1000 PD deductible. Apply CG 2264 Pesticide or Herbicide Applicator Coverage, Tree trimming, Pruning & Removal Endorsement
99793	Truckers 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	Water Softening Equipment – Installation, Servicing Or Repair Minimum \$1000 PD deductible
99975	Window Cleaning Refer Work over 4 stories.