

BUILDER'S RISK INSURANCE

HELP YOUR CLIENTS BETTER MANAGE RISK WITH OUR BUILDER'S RISK SOLUTIONS.

When it comes to projects that are under construction, the exposures and financial consequences of loss can change as work progresses. The Hartford's builder's risk solutions are especially designed to protect contractors and owners from the unique risks they face. Use this coverage analyzer to see how our solutions can help your construction clients prevail.

COVERAGE ANALYZER

RISK OF LOSS	ANALYSIS TIP	THE HARTFORD SOLUTION
Coinsurance Clause	Policies that include a coinsurance clause expose the insured to coinsurance penalties for carrying inadequate limits.	The Hartford policy doesn't have a coinsurance clause.
Covered Property	The definition of property covered by builder's risk policies varies from one insurer to another. It's important to analyze carefully the covered property section of any builder's risk policy.	Our policy defines covered property broadly to include: <ul style="list-style-type: none"> • Foundations • Underground pipes • Wiring • Machinery • All fixtures • Property owned by others for which you are responsible • Temporary structures
Debris Removal	Debris removal and disposal costs continue to escalate. They may even exceed the cost of your physical property loss. Some policies pay only a maximum of 25% of the physical loss – and that's within the policy limit.	We cover: <ul style="list-style-type: none"> • Up to the first \$100,000 in full, subject to the deductible • Or 25% of the amount payable <ul style="list-style-type: none"> » Up to a maximum of \$1 million » If the expense is greater than \$100,000 And you'll have 180 days to report the loss.
Escalation Clause	The cost of building materials can fluctuate significantly during the course of a construction project. Contractors want to be protected against unanticipated increases in cost when a total loss occurs. Few policies offer this option.	Our policy offers optional coverage to provide an additional limit – in the event of a total loss – up to \$500,000 for the increased cost of labor, materials or changes in construction specification.
False Work, Cribbing and Temporary Structures	The use of temporary structures, cribbing and false work are common to many construction projects. Some policies don't extend coverage to them.	Our policy covers temporary structures, cribbing or false work built or erected at the job site. We provide up to \$100,000 for re-erection of undamaged scaffolding.
Earned Profit	When a loss occurs, the insured contractor needs protection for the cost of materials and for lost profits.	Our coverage form covers the contractor's: <ul style="list-style-type: none"> • Material and labor • Earned profit, up to the time of loss

Prepare. Protect. Prevail.®

continued



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Faulty Design, Workmanship or Materials	Some policies exclude coverage for losses resulting from design, workmanship or materials that are faulty.	Our coverage form pays for resultant damage caused by faulty design, faulty workmanship and faulty materials.
Fences, Scaffolding	Construction work often requires the use of scaffolding and/or security fencing at the job site. This equipment may be damaged by a covered cause of loss. Some policies may not include coverage.	Our policy defines fences, scaffolding and construction forms as covered property. It includes: <ul style="list-style-type: none"> • Up to \$100,000 in coverage, and • Up to \$100,000 in coverage for re-erection of undamaged scaffolding
Landscaping Coverage	Landscaping work may be done while the building is still under construction and may be damaged or lost by a covered cause of loss. Some policies don't include coverage.	Our coverage form covers outdoor trees, shrubs, sod and plants for up to \$10,000 per occurrence, with a \$500 maximum per item.
Modular Components Not on Main Premises	The use of modular components is common in construction projects. The components are often stored offsite until needed.	Our coverage form covers modular structural components while they're in transit or in temporary storage. The storage location doesn't need to be referenced in the policy.
Ordinance or Law	Building codes and requirements may have changed between the time a project was started and the time reconstruction is necessary after a loss resulting in changes to plans and additional costs.	Our policy includes coverage for additional costs that result due to the enforcement of ordinances or law. This coverage includes the loss in value to the undamaged structure, demolition and increased costs of construction.
Pollutant Cleanup and Removal	When a fire or other covered loss occurs at a construction site, pollutants may be released causing damage to land or water.	Our policy covers up to \$10,000 in any one occurrence and \$25,000 per-policy year to remove or extract pollutants from land or water when released as a result of a covered cause of loss.
Testing	Testing of newly installed equipment may result in substantial loss to the equipment itself or to the structure to which it has been added.	Our policy extends to cover physical loss caused by electrical testing, mechanical testing and hydrostatic testing for specific classes.
Replacement Cost	After a loss, new materials must be purchased for reconstruction. Policies may include a variety of valuation methods and may not provide sufficient funds to cover the cost of new materials.	Our policy provides replacement cost coverage equal to the value of property owned by you without deduction for depreciation.
Property of Others	Property owned by others, but within your control, may be damaged. Some policies may not offer coverage for property you don't own.	Our policy covers property of others for which you're responsible.
Valuable Papers	Valuable papers, such as blueprints and schematics, and electronic data may be damaged or destroyed by a covered cause of loss.	Our coverage form automatically includes up to \$100,000 of coverage to research, restore or replace blueprints or other construction documents and electronic data at the job site.
Transit	Covered property is often transported to and from unnamed locations and the building site.	Our coverage form provides flexible limits for transit by request.
Temporary Storage	Covered property is often stored at sites other than the building sites.	Our coverage form provides a flexible limit for temporary storage at any un-named site.
Permission to Occupy	Insureds may need to occupy the buildings or structures of a construction project prior to its final completion.	Our coverage automatically provides permission to occupy buildings and structures of a construction project provided that all planned fire protection and security systems are operational during the occupancy.

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Architects and Engineering Expenses	After a covered loss, it may be necessary to employ the services of an architect or engineer in connection with the repair of a building or structure.	We automatically provide \$50,000 of coverage for architect and engineering expenses related to the repair or replacement of covered property after a covered cause of loss.
Expediting Expense	Following a covered loss to covered property, an insured may incur additional costs that are required to meet the contracted completion date of a construction project. These costs may include the costs to expedite replacement parts/materials, additional labor expense and rental expense for additional equipment.	We provide up to \$25,000 for these additional expediting expenses.
Reward Coverage	In the unfortunate event that a construction project becomes a victim to crimes such as arson or theft, a reward may be posted for the successful return of stolen articles to law enforcement or for the arrest and conviction of any persons for having damaged or stolen any covered property.	We provide 25% of the covered loss (prior to the application of a deductible) up to \$50,000 for reward coverage.
Contract Penalties	Construction project contracts may contain penalties the insured is required to pay in the event an insured is unable complete a project.	We provide up to \$50,000 for written contract penalties that the insured is required to pay to complete the project, as a direct result of a covered cause of loss to covered property.
One Deductible	Builder's risk policies may contain multiple deductibles that could apply to one occurrence or loss.	If multiple deductibles apply to the same loss, The Hartford only applies the largest applicable deductible to the item for which the claim is made.

LEARN MORE.

Talk with your Marine underwriter from The Hartford, or visit thehartford.com/marine.

This document outlines in general terms the coverages that may be afforded under a policy from The Hartford. All policies must be examined carefully to determine suitability for your needs and to identify any exclusions, limitations or any other terms and conditions that may specifically affect coverage. In the event of a conflict, the terms and conditions of the policy prevail. All coverages described in this document may be offered by one or more of the property and casualty insurance company subsidiaries of The Hartford Financial Services Group, Inc. Coverage may not be available in all states or to all businesses. Possession of these materials by a licensed insurance producer does not mean that such producer is an authorized agent of The Hartford. To ascertain such information, please contact your state Department of Insurance or The Hartford at 1-888-203-3823. All information and representations herein are as of June 2016.

In Texas, the insurance is underwritten by Hartford Accident and Indemnity Company, Hartford Fire Insurance Company, Hartford Casualty Insurance Company, Hartford Lloyd's Insurance Company, Hartford Insurance Company of the Midwest, Trumbull Insurance Company, Twin City Fire Insurance Company, Hartford Underwriters Insurance Company, Property and Casualty Insurance Company of Hartford and Sentinel Insurance Company, Ltd.

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