

# CONTRACTORS DID YOU KNOW?

Take a minute and read the following, it could save you **money, time, and frustration**. Most insurers offer extensive coverage for contractors; you may qualify for these benefits. Talk to us and we will review your coverage with you.

- ✘ Are your tools insured ADEQUATELY? Most Insurance Companies insure on an actual cash value basis. That means if a claim is submitted they will depreciate the value of the item as much as 10% a year. Replacement value *may* be available so please check with us if this is a concern.
- ✘ **Co-insurance** – insurers require that you insure to value. If you only insure ½ of your tools and only ½ are stolen which ½ was it? The insured ½ or the uninsured ½? That sounds ridiculous, but insurers expect you to insure your property to it's full value.
- ✘ Check the limit on your tool floater, not just the total limit, but the maximum per item. If the limit on any one item is \$500 then you need to advise us of any tools valued over that and we will arrange to have them added specifically.
- ✘ **Take inventory** – keep a record of all your tools and equipment including year, make, model and serial number for any items valued over \$500. *Keep receipts*.
- ✘ Employees tools – do you expect to cover your employees tools or are they responsible for them? Typically if they own them then they should insure them. Make sure that all parties agree of who is responsible and ensure that coverage is in place.
- ✘ **Installation Floater** – if you install products who is responsible for them should they be stolen or destroyed? For example, a furnace on your truck which is involved in an accident or windows at a job site waiting to be installed, who is responsible for them? Coverage can be purchased so call us.
- ✘ Cargo insurance – vehicle insurance does not cover items in it such as stock or tools. If you deliver products you need additional coverage for any loss while transporting them.
- ✘ **Rental equipment** – if you rent equipment, i.e. ladders, chain saws, loaders, who is responsible for them? If you are make sure your policy covers this exposure.
- ✘ Protect your property !! – just because you have insurance does not mean that you should not have your own risk management procedure. Ensure that your property is protected; keep tools in a locked toolbox secured and locked to the vehicle, consider a burglar alarm for the vehicle and bring valuable items inside at night.
- ✘ **Contractors equipment** - consider a GPS system like “Boomerang”, a tracking device, or an ignition disabling system.
- ✘ Sub Contractors - do you use sub's? . Do you want to pick up claims that have occurred because of the negligence of someone else? If not ensure that they have their own liability insurance and that you obtain a copy of their insurance