

# Builders Risk Coverage Analyzer

*Delivering Greater Value in Marine*

**Key Points of Comparison**

**Analysis Tip**

**The Hartford's Builders Risk Policy**

**Other Carrier's Policy**

Coinsurance Clause

When included, exposes insured to coinsurance penalties and agent to E&O risks.

Includes no coinsurance clause.

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Covered Property

Double check to clarify exactly what type of property would be protected by the policy, as definitions for covered property vary greatly among policies.

Defines covered property very broadly, extending to:  
• foundations  
• underground pipes  
• wiring  
• machinery  
• all fixtures  
• property that will become a permanent part of the structure.

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Debris Removal

A number of policies pay only a maximum of 25% of the physical loss – and that's only within the policy limit.

Pays up to the first \$100,000 for debris removal or 25% of payable loss.

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Earned Profit for Insured Contractors

Some policies may only reimburse labor and materials.

Covers contractor's profit earned up to the time of the loss.

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Escalation Clause

This feature can be particularly valuable in that it protects the insured from undetected increases in building costs. However, very few policies offer this option.

Optional provision; provides extra limit in event of total loss, up to \$500,000 for increased cost of labor, materials or changes in construction specifications.

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Falsework, Cribbing, Temporary Structures

Policies are often vague about what is covered in this area – and to what extent.

Covers temporary structures, cribbing or falsework built or erected at the job site.

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Faulty Design

Some carriers don't clearly cover damage that results from faulty design.

Pays resultant damage caused by:  
• faulty design  
• faulty workmanship  
• faulty materials.

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## Key Points of Comparison

## Analysis Tip

## The Hartford's Builders Risk Policy

## Other Carrier's Policy

Fences, Scaffolding

Check to see if this type of coverage is included, and if so, exactly what this coverage protects.

Defines fences, scaffolding and construction forms as Covered Property (sublimit \$100,000); one of the few policies to include coverage for re-erection of undamaged scaffolding up to \$10,000.

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Landscaping Coverage

A number of policies do not include this type of protection.

Covers trees, shrubs, sod and plants for up to \$10,000 per occurrence (maximum \$500 per item).

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Modular Components Not on Main Premises

Make sure the policy includes some protection for those structural components that will be used in the building, but are not yet physically located at the job site.

Insures modular structure components while they are in transit – or in temporary storage (storage location doesn't even have to be referenced in policy).

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Ordinance or Law

This coverage is usually found only in special manuscript policies.

Includes coverage for losses caused by the enforcement of new laws or ordinances.

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Pollutant Clean Up and Removal

Some competitors exclude pollution in its entirety.

\$10,000 per occurrence, with a maximum of \$25,000 per policy year for the costs to extract pollutants from land or water at the job site.

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Testing

Some policies do not cover testing, and if they do, many have a sublimit.

Removes exclusion for mechanical breakdown resulting from electrical, mechanical, pneumatic or hydrostatic testing.

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Replacement Cost

Some policies are based on actual cash value.

Values losses based on replacement cost without deduction for depreciation.

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Property of Others

Some of the available policies do not include this type of protection.

Covers the insured's responsibility for materials and property owned by others at the described premises.

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Valuable Papers

Some policies don't offer any explicit coverage in this area.

Automatically includes up to \$25,000 of coverage in any one occurrence for blueprints and other construction documents at the job site.

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This document provides an overview of coverages and services. Coverages may differ in availability by state. All coverages are individually underwritten. For a complete description of all coverages, terms and conditions, refer to the insurance policy. In the event of a conflict, the terms, conditions and exclusions of the policy prevail.