

Broad range of coverages, custom-built for landcare contractors.

Contractors Errors & Omissions and Pollution.



CONSTRUCTION



A purpose-built policy for the needs of landcare contractors.

Landcare contractors take on risk with each project. Problems can come from a variety of factors and often take years to arise. For this reason, landcare contractors need insurance coverages built for their unique exposures. Contractors Errors & Omissions and Pollution coverage is designed to insure against a variety of risks, including claims alleging faulty workmanship, design errors or omissions, and the use of defective materials or products.

Coverages designed for landcare contractors.

Contractors Errors & Omissions and Pollution coverage includes a range of coverages designed for the specific risks of landcare contractors. Policy highlights for eligible and qualified insureds include:

Errors & Omissions

- Coverage for claims alleging faulty workmanship, design errors or omissions, and the use of defective materials or products
- Use of Building Information Modeling (BIM) systems
- Covers negligent acts, errors or omissions by the insured or a person acting on its behalf in the performance of design services
- Worldwide coverage for claims brought in the U.S.
- Optional extended reporting period for one to five years

Pollution Liability

- Proactive coverage for mold
- No exclusions for asbestos, respirable dust or silica
- Coverage for pollution claims, including government-mandated clean-up costs

Coverage Specifications:

- **Availability** — in all 50 states, D.C. and U.S. Territories (U.S. Virgin Islands excluded)
- **Minimum premium (at \$250,000 limit)** — \$1,500 for Errors & Omissions only; \$2,000 for Errors & Omissions and pollution combined
- **Minimum SIR** — \$3,000 and co-insurance of 0%
- **Limits** — Up to \$5 million
- **Coverage** — Excess & Surplus with CNA
- **Policy options** — Errors & Omissions, Pollution Liability or combined policy

Are you a good fit for Contractors Errors & Omissions and Pollution coverage?

1. Are you a landcare contractor with the responsibility to perform construction services?
2. Do you install products in the course of your construction services?
3. Do you provide in-house design with construction responsibility?
4. Do you subcontract design services to other parties and self perform the construction work?
5. Do you provide value engineering services?
6. Have you had water intrusion, mold, asbestos, silica or respirable dust concerns in the past?

If you answered "YES" to any of these questions, you have a unique E&O exposure that can be addressed through CNA's tailored Errors & Omissions and Pollution policy.

Claim Scenarios

Faulty Workmanship

- **The Facts** — John Smith Landscaping was hired to lay sod, plant flower beds and construct a 12'x12' patio using a Unilock brick system at a total cost of \$40,000.

One month after construction, following heavy rain, the homeowner noticed water spots on his basement walls. A review of John Smith's work revealed the patio only sloped ¼" per foot instead of the ½" per foot called for in the original design. Water had pooled near the top of the patio and soaked the residential envelope of the house. Total damages were estimated at \$100,000, including \$40,000 to re-do the job and \$60,000 to remediate basement water damage.

- **Potential Gaps** — Ordinary General Liability coverage would pay to remediate the basement and foundation, but John Smith would be out of pocket to replace the patio system.
- **CNA Coverage Advantage** — Because John's company had CNA Contractors Errors & Omissions coverage, his policy covered the additional \$40,000 required to re-complete the job.

Defective Materials

- **The Facts** — XYZ Landscaping was hired to re-sod the grounds of a large commercial office park at a cost of \$100,000. One month after job completion, nearly 80% of the new sod had turned brown.

An investigation revealed the sod manufacture had over-fertilized a majority of the rolls prior to supplying them to XYZ. The resulting "fertilizer burn" was killing the grass. Total damages were estimated at \$80,000.

- **Potential Gaps** — Fortunately, XYZ held CNA Contractors Errors & Omissions coverage, so instead of being out-of-pocket to buy non-defective sod and re-install, XYZ's policy covered the full cost of the claim.

Design

- **The Facts** — Country Landscape Design was hired to design and install an outdoor concrete patio with a pergola roof, wood-burning fire pit, benches, and a small storage shed. The total cost was \$65,000. With their in-house architect traveling abroad, Country subcontracted the design portion of the job.

Shortly after completion, the customer noticed the pergola tilting slightly and worsening over time. An investigation revealed that the design outlined a one-foot depth for footings where a two-foot minimum was required. Total damages were estimated at \$30,000 to deconstruct the pergola, re-dig the correct footings and reconstruct the pergola.

- **Potential Gaps** — Most General Liability policies carry a professional services exclusion that would provide no coverage for the reconstruction expense.
- **CNA Coverage Advantage** — CNA Contractors Errors & Omissions provides coverage for design services done by the firm or on the firm's behalf. Luckily, Country Landscape carried this coverage, and received compensation for the full \$30,000 re-work claim.

Count on our stability and financial strength.

CNA has an established history insuring construction firms. CNA is an "A" rated A.M. Best insurance company for financial strength from the major rating organizations. Additionally, we offer:

- A highly trained professional staff
- Local underwriting authority
- A broad product portfolio with the ability to write your clients' full property and casualty risks
- Nationwide risk control services to help your clients assess and address risk exposures
- Claim support services in all 50 states and over 150 countries around the world

When it comes to finding a carrier with the industry knowledge and experience to better understand the needs of landscare contractors ... **we can show you more.**[®]

For additional information, please contact your local independent agent or visit www.cna.com/planet.

