

Certificates of Insurance

Your business may be at risk of loss as the result of the actions of contractors, subcontractors, vendors, or manufacturers with whom you conduct business.

A Certificate of Insurance should be obtained to protect your interest in the event of legal action arising from the actions of others.

What is a Certificate of Insurance? – Certificates of Insurance are convenient documents used to verify to another party the existence of required insurance and for monitoring compliance with insurance requirements in contracts.

How could I suffer a loss as the result of something a contractor or vendor does or fails to do? – Most state laws provide that general contractors are responsible for losses of subcontractors. In a broader sense, most legal actions involve all entities who participate in the delivery of a service. An uninsured or underinsured participant who becomes a codefendant may result in increased losses to you.

Potential causes of loss –

- Expressed or implied warranties that are not honored
- Failure to adhere to design specifications, codes and/or standards
- Unauthorized changes
- Inadequate, improper and/or unreliable testing and inspection
- Faulty workmanship
- Defective parts, components, or materials
- Failure to keep proper and adequate records
- Failure to warn of inherent dangers and maintenance requirements
- Failure to service and maintain properly
- Failure to supervise subcontractors, manufacturers, suppliers, and vendors properly
- Failure to use qualified and financially sound subcontractors, vendors and manufacturers
- Inadequate or lack of the proper hold harmless agreements and indemnification clauses

For more information and additional risk management and prevention tools, visit: fwcruminsurance.com