

Contractors Errors and Omissions Liability Coverage

The contractors errors and omissions liability endorsement provides coverage for claims resulting from the policyholder's negligent act, error or omission, or from a defect in the material or product sold or installed by the policyholder.

Eligible Classes*

- Appliance Installation
- Carpentry — Interior (no exterior)
- Carpet Cleaning
- Communication Equipment Installation — Commercial
- Drilling — Water
- Drywall
- Electrical Apparatus
- Electrical Work — Within Buildings
- Fence Erection
- Floor Covering
- Furniture or Fixtures Installation
- Glass Dealers or Glaziers
- House Furnishings — Installation
- Insulation Work — Mineral
- Janitorial Services
- Landscape Gardening
- Lawn Care Services
- Masonry
- Metal Erection — Decorative
- Office Machine Installation
- Painting — Interior or Exterior
- Paperhanging

- Refrigeration Systems
- Septic Tank Systems — Cleaning
- Sheet Metal Work — Outside
- Siding Installation
- Sign Erection
- Sign Painting
- Telephone or Cable Television Line Construction
- Television Installation
- Tile or Stone — Interior

*Availability varies by state

Coverage Options and Underwriting Criteria

- Limits from \$25,000/\$50,000 to \$1,000,000/\$2,000,000 available
- Deductibles from \$500 to \$10,000 available
- Three years favorable experience rating with required loss run information

Why Your Clients May Need Contractors Errors and Omissions Coverage

An electrical contractor hired by a hotel faces installation issues. Here are three ways Contractors Errors and Omissions CG7624 could apply:

- 1. Faulty Design:** The panel placement lacked sufficient power to power all of the rooms, requiring the replacement of old wiring. E&O covers damages and hotel revenue loss.
- 2. Faulty Workmanship:** The design was correct, but faulty installation tripped breakers and caused hotel revenue loss. E&O covers rework damages and loss of revenue.
- 3. Faulty Materials:** There was a defective electrical component used. E&O covers financial loss and rework, and the manufacturers' insurance carrier may participate via subrogation.

Disclaimer: These hypothetical examples are provided for illustrative purposes only. They are not intended as predictions of coverage for a claim.

Agent Insider: Intended for EMC agents only and not for distribution to policyholders.