

General Contractor Insurance Guide

General contractors carry the risk of every trade on the job. When a subcontractor's mistake damages a property or someone is hurt on site, the claim often lands on the GC. Underwriting commonly turns on how much you subcontract, whether you collect certificates from every sub, project sizes, and the residential vs. commercial mix. This guide explains the coverage general contractors typically carry and what to have ready before a call with a licensed DANESURE advisor.

COMMON RISKS, IN PLAIN TERMS

- A subcontractor's work damages the property or injures someone, and the claim lands on you
- A defect claim years after the job, when completed-operations limits are thin
- Uninsured subcontractors added to your payroll at audit, at the highest class
- The structure under construction is damaged by fire, wind or theft before completion
- Someone is hurt on a job site, including a member of the public
- Tools or materials stolen from a job site

COVERAGE TO CONSIDER

Must-have

General liability, including completed operations

Pays if your work damages someone's property or injures someone. Completed operations covers claims that show up after the job is finished, which is when many defect claims arrive. Most contracts ask for proof of it. For a GC, the policy's treatment of subcontracted work matters as much as the limit.

Workers' compensation

Pays medical bills and lost wages if an employee is hurt on the job. Most states require it once you have employees, full-time or part-time. Helpers paid as 1099s who can't show their own coverage can be counted as your employees at audit. Collect a current certificate from every sub before they start.

Commercial auto

Covers trucks, vans and trailers used for the business. A personal auto policy often won't pay a claim that happens while the vehicle is being used for work.

Likely needed

Tools & equipment (inland marine)

Covers your tools and equipment, owned, leased or rented. General liability and auto don't cover your own tools and equipment.

Builder's risk

Covers the structure itself while it is being built. Who buys it depends on the contract: you, the owner or the lender.

As you grow

Umbrella / excess liability

Extra limits on top of general liability and auto, often required once you take larger commercial jobs.

Professional liability (design-build)

If you take on design responsibility, this covers mistakes in the design, which general liability usually excludes.

Contract bonds (if a contract requires them)

Bid, performance and payment bonds are surety products, not insurance. They're underwritten separately on your experience and financials.

Many general contractors, owners and property managers require additional insured status, primary & non-contributory wording and a waiver of subrogation. A certificate only shows coverage; those protections exist only if the policy is endorsed for them.

THINGS TO THINK ABOUT BEFORE THE CALL

- [] What share of your revenue is paid to subcontractors, and whether you collect a certificate and additional insured endorsement from every one
- [] Typical project size and your largest job

- [] Residential vs. commercial work, and any condos, townhomes or tract homes
- [] Whether you do any design work
- [] Who buys builder's risk on your projects
- [] What your last workers' comp audit looked like
- [] Which vehicles are used for the business, who drives them, and whether any are titled personally
- [] A rough value of your tools and equipment, including anything rented or leased
- [] Any contract or customer that has told you what insurance you must carry (send us that page if you have it)

WHAT WE'LL NEED TO QUOTE YOU

- Your business name, contractor license number(s) and years in the trade
- A short description of the work you do, and the residential vs. commercial split
- Estimated annual revenue and payroll, and what you pay subcontractors
- Your current declarations pages, if you have insurance today
- 3 to 5 years of loss runs (claims history), if you have had coverage
- A vehicle list (year, make, VIN) and a driver list
- An equipment list with approximate values
- A list of current projects or a typical year of work
- A sample subcontract and the insurance section of a typical owner or GC contract

TALK TO A LICENSED ADVISOR

Call (623) 323-8385 (Monday to Friday, 8 AM to 5 PM MST), reply to our email, or book a time at danesure.com/book.
This guide online: <https://danesure.com/guides/general>

This guide is general information to help you prepare. It isn't a coverage recommendation, a quote, or a promise of coverage - what you need depends on your operations and each carrier's underwriting. A licensed DANESURE advisor will review your situation with you.

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