

VERIFYING CONTRACTOR'S INSURANCE

Whenever you hire a contractor to complete a home project, it's important to verify their insurance coverage

Doing so can help you secure a qualified contractor and avoid serious financial losses following a construction error.

The following are some considerations to keep in mind:

- **Never assume a contractor has proper insurance.** Even if a contractor shows you a certificate of insurance, their policy could be expired. Consider calling their carrier directly to confirm coverage.
- **Do not rely on your homeowners insurance.** Typically, home policies won't provide protection against contractor damage. You can, however, modify your policy before a renovation to cover certain risks.

- **Hire a contractor that holds a combination of policies.** When it comes to protecting against an array of potential contractor errors, you can't simply rely on one policy. At a minimum, look for contractors with general liability coverage, bonds and an installation floater that covers personal property installed by the contractor. It's also a good idea to check with provincial regulators to confirm that the contractor is registered for workers' compensation coverage.

Inquire Before You Hire

When taking on a home repair or improvement, you may hire a contractor to ensure the work gets done right. However, during a project of any size, accidents can occur, potentially leading to worker injuries or property damage. What's more, if that contractor isn't carrying the proper insurance coverage, you may have to pay thousands of dollars to remedy the situation.

Other Considerations

Above all, it's essential to do thorough research before choosing a contractor. Whenever possible, hire contractors that have strong online reviews. In addition, it's a good idea to ask the contractor for references prior to the start of any project. Remember, even the best contractors can make mistakes. In the event an accident does occur, it's important to document the damage before submitting a claim. Doing so will ensure you receive adequate compensation.

If you have questions specific to your business, or would like additional information, please reach out to your Lloyd Sadd Advisor.

™@Local Touch. National Strength. Navacord and Navacord logo are Trademarks of Navacord. The information contained herein is general in nature and general insurance description only. The information is not intended to be insurance advice; nor does it amend, modify or supplement any insurance policy. Consult your actual policy or your broker for details regarding terms, conditions, coverage, exclusions, products, services and programs which may be available to you.

**LET US HELP YOU
MANAGE YOUR RISK**

Edmonton: 1.800.665.5243
Calgary: 1.866.845.8330
Kelowna: 1.800.665.5243

lloydsadd.com
info@lloydsadd.com