

Contractor's Protective Professional Indemnity (CPPI)

What if contractors and design builders could protect themselves from a broad range of professional liability exposures?

Zurich offers professional liability insurance to protect contractors for losses arising out of the negligent performance of professional services for which the contractor is responsible, whether direct, incidental or contingent/vicarious.

Targeted customer profile

Zurich tailors CPPI coverage to meet the needs of mid-sized and large construction customers including:

- General contractors
- Construction managers
- Design-build firms
- Heavy and highway contractors
- Specialty trade contractors

Coverage features

Coverage is provided for the professional services of a construction manager, whether offered through an at-risk contract or not. This includes third-party claims against the contractor and, if the contractor is providing design build services, first-party losses for the subcontracted professional services in which a contracted design firm does not have adequate professional liability limits:

The CPPI policy can be composed of three coverage parts:

- Coverage A: Third-party professional liability
 - Includes defense, mediation credit, domestic and global coverage

- Coverage B: First-party professional indemnity
 - Responds excess of the underlying professional liability if the contractor suffers a loss, such as cost overruns, schedule delays and rework due to negligence by a design professional
 - Enables the insured contractor to recover incurred losses, regardless of whether there has been a claim by the project owner or third party
 - Difference in conditions (DIC) responds to losses to the extent that the policy is broader than the a/e underlying professional policies, subject to a self insured retention (SIR)
- Coverage C: Contractor's pollution liability (CPL)
 - Coverage is comparable with environmental markets

Policies are typically written on a practice/annual basis; project-specific policies are also available for purchasers of an annual corporate program

- Project specific coverages support the duration of a construction project with automatic extended reporting periods (ERP) available and cost significantly less than trying to replace the Architect or Engineer's primary insurances

Program options

- Intermediate and large deductibles
- Customized limits and sublimits based on customer's risk appetite
- Limits of liability up to \$25 million

Why Zurich

- Leadership and influence through active participation in key construction and insurance industry associations
- Professionals who specialize in the industry and understand the technical and operational aspects of construction
- Creative solutions aimed to reduce customer's cost of risk while enhancing their profitability
- Innovative coverage policies and extensions that address industry-specific needs
- Customized programs that fit the unique risk appetite and coverage needs of the customer
- Integrated underwriting, risk engineering and claim account teams
- Domestic and global coverage capabilities
- Zurich's financial strength, which is rated "A" (Excellent) by A.M. Best and "A+" (Strong) by Standard & Poor's

For more information

For more information on contractor's protective professional indemnity insurance, please contact your broker or Zurich's regional executive. You may also visit www.zurichcanada.com.

Zurich

416-586-3000
www.zurichcanada.com

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