

## THINKING SNOW IN THE SUNSHINE OF SUMMER

*Are you holding firm with your Contractors for Additional Insured requirements?*

*- July 2009 -*

July and August are high season for (re)negotiating the maintenance and snow-removal contracts for exterior of the portfolios you own and/or manage for the coming winter season. Given that many smaller contractors may not carry coverage or have issues getting your organization added as Additional Insured, it is critical that you ensure you transfer this exposure to mitigate your insurance exposure.

### YOU AND/OR YOUR CLIENT'S LIABILITY EXPOSURE

If you have an insurance program for your properties, or a blanket program for properties you manage, you will be left to carry the cost of any Bodily Injury or Property Damage resultant from ineffective cleaning or vague contract wording regarding when services need be provided.

### YOUR PROPERTY MANAGER ERRORS & OMISSIONS POLICY

Any financial loss your clients sustain as a result in your failure to effectively employ Third Party firms that manage some operations on your behalf may result in an Error & Omission claim. Owners for whom you are managing properties rely on your provision of professional service from yourself and the firms you employ.

### EFFECTIVE SNOW REMOVAL CONTRACT NEGOTIATIONS

In the least, when you are (re)negotiating snow removal contracts, ensure you cover off the following criteria in the least:

- Minimum \$2,000,000 CGL with your firm added as Additional Insured
- Specific wording to ensure premises cleared within 'X' hours of snowfall
- Maintenance of sign-off or time logs kept and copied to you
- Clarity on who is responsible for sidewalks vs parking to eliminate confusion
- Indemnification and hold harmless agreements in your favour

### HKMB HUB'S CLIENT EXPERIENCE

Vetting our insured's contracts to minimize their liability exposures and ensure the appropriate parties are fully responsible for their risks helps reduce our client's claims exposure, and ultimately their *Total Cost of Risk*.

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