



CONTRACTOR SHIELDSM

COMMERCIAL PACKAGE POLICY

COVERAGES WITH **IMPACT**



CONTRACTOR
SHIELDSM

For decades, Federated® insurance products have been designed specifically for contractors to manage the risks and exposures unique to their type of business. Some coverage we provide is built directly into our programs. These are noted by the symbol (✓). Other important coverage offerings for contractors are available by request. These optional coverages are noted by the symbol (□). Working with your Federated® representative, we can assist you in designing an insurance program that is tailored to your business.

Coverage Included for Your Business

✓ No Coinsurance–Building and Personal Property

There will be no coinsurance penalty to reduce a claim payment from a covered cause of loss.

✓ Disaster Deductible

One deductible will apply when there is a catastrophic loss occurrence involving coverage under property, inland marine, or crime by a covered cause of loss. The disaster deductible does not include earthquake, employee dishonesty, systems breakdown, forgery & alteration, and mine subsidence.

✓ Preservation of Property

Coverage is provided if it is necessary to remove property from the premises to preserve it from loss or damage by a covered loss. Coverage includes the loss or damage to this property while it is being moved, or while temporarily stored if the loss or damage occurs within 30 days after the property is first moved.

✓ Newly Acquired/Constructed Locations

We will provide up to \$1,000,000 for building(s) and \$500,000 for contents for covered losses at newly acquired properties for up to 30 days.

✓ Systems Breakdown

Coverage is provided for physical damage resulting from an accident to covered equipment. An accident is a mechanical breakdown; artificially generated energy (including arcing); or an explosion of steam boilers, pipes, engines, or turbines. Covered equipment includes property that generates, transmits, or utilizes energy (including electronic communications and data processing equipment) or that operates under vacuum or pressure.

✓ Building Ordinance

Can provide you with up to \$100,000 additional coverage for loss of value of the undamaged portion, demolition and clearing of the

undamaged portion, and increased cost to repair, reconstruct, or remodel when building coverage is provided. Additional limits and coverage may be available.

✓ Debris Removal

A limit of 25% of your loss is included for your expense to remove debris of covered property resulting from a covered cause of loss. An additional \$50,000 is provided per location and does not include pollution clean-up and removal.

✓ Pollution Clean-Up and Removal

\$100,000 of coverage is provided for your expense to extract pollutants from land or water at the described premises if their release was caused by a covered cause of loss.

✓ Underground Property

Up to \$100,000 is provided to apply to loss or damage by a covered cause of loss to the underground pipes, flues, drains, and foundations at your listed locations. Also included are the costs of excavation, grading, and back filling.

✓ Outdoor Property

Up to \$25,000 is included for outdoor fences, radio and TV antennas, including satellite dishes and their lead in wiring, trees, shrubs, and plants resulting from a covered cause of loss (\$750 maximum per tree, shrub, or plant).

✓ Valuable Papers and Records

\$25,000 is provided to apply to the cost to replace or restore lost information on lost or damaged valuable papers, records, and media for which duplicates do not exist. This extension includes titles, blueprints, drawings, payroll information, negatives, plates, models, manuscripts, patterns, forms, dies, and molds.

✓ **Non-owned Detached Trailers**

Trailers at your described premises that you do not own, but are used in your business, in your care, custody, or control and you have a contractual responsibility to pay for loss or damage are provided up to \$5,000 from a covered cause of loss.

✓ **Sewer Backup**

\$10,000 coverage is provided for loss of or damage caused by water which backs up through or overflows from sewers or drains. Includes overflows from a sump even if the overflow results from the mechanical breakdown of a sump or equipment. Does not include the cost of repairing or replacing a sump pump or equipment.

✓ **Accounts Receivable**

Up to \$25,000 at the described premises is included for accounts receivable that you are unable to collect due to a covered cause of loss. \$10,000 included for off-premise receivables.

✓ **Business Income and Extra Expense**

\$10,000 is provided to help replace income lost or to pay for extra expenses incurred following a covered loss. A 72-hour waiting period applies to loss of income coverage.

✓ **Fire Department Service Charge**

\$25,000 is provided if, prior to a loss, you are liable by contract, agreement, or local ordinance for fire department service charges resulting from a covered cause of loss.

✓ **Fire Extinguisher Systems Recharge**

Provides \$25,000 for the expense of recharging fire extinguisher systems used to fight a fire at a covered location.

✓ **Claims Expense**

(Not available in all states)

Will pay up to \$10,000 for claims expenses that you incur at our request and arising out of a covered loss or damage. The claims expense must be incurred from assisting us in the investigation of a claim or suit, the determination of the amount of loss, or the determination of the extent of the loss.

✓ **Security Guard Charge**

Provides up to \$5,000 for security guard service to protect the public or covered property as a result of a covered loss under the policy.

✓ **Outdoor Signs**

Up to \$25,000 per sign (including its foundation) for loss or damage to outdoor signs.

✓ **Lock and Key Replacement**

Up to \$1,000 of coverage provided.



Coverage for Your Industry

Property Coverage

✓ Property Off Premises

Up to \$25,000 is provided for covered property off premises temporarily at locations that you do not own or operate. This would also apply to property at fairs, trade shows, or exhibitions.

✓ Portable Buildings and Contents

Insurance is extended up to \$10,000 for loss due to a covered cause of loss to portable buildings (excludes trailers/units licensed for road use) and its furniture, fixtures, and office equipment and supplies while located on or off the described premises.

✓ Business Personal Property Seasonal Increase

To provide for seasonal increases, the limit for business personal property is increased automatically by 25 percent if the policy limit is at 100 percent of the prior 12-month average monthly values.

✓ Identity Theft Recovery

Case management will be provided for business owners, partners, and corporate officers (20 percent or more ownership) in the event of identity theft. Up to \$15,000 is also provided for reimbursement of identity recovery expenses. A \$250 deductible applies.

Optional Special Contractors Floater

☐ Installation Floater

• Broadened Coverage on Installations

Materials contracted to be installed are covered at the job site, in transit, and elsewhere awaiting, during, and after installation.

• Labor Included on Installations

In the event of a covered loss, coverage is provided for the cost to reinstall the damaged property.

• 90-Day Coverage Extension on Installations

Coverage ceases 90 days after work has been accepted, when the contractor's interest

ceases, or the policy expires, whichever occurs first. This extends coverage during the normal time the contractor bills and collects for work and products.

☐ Scheduled Contractors Equipment

• Contractors Equipment Replacement

A special replacement cost provision applies to property insured for at least 100 percent of actual cash value at the time of loss. When equipment is replaced with "like kind and quality," Federated will pay up to 125 percent of the scheduled amount. The maximum payment under this provision is the replacement value of the equipment.

• Newly Purchased Equipment

Equipment you purchase valued under \$50,000 is automatically covered for up to 30 days.

☐ Contractors Equipment Rental Reimbursement

Provides reimbursement of rental costs you incur when your scheduled equipment is lost or damaged and a rental substitute must be used.

☐ Blanket Business Personal Property

Miscellaneous equipment (up to \$5,000 per item) can be covered with a single limit and no schedule is required. Replacement cost is available.

☐ Employee-Owned Tools

Coverage may be available for employees' tools used in your business. Items in excess of \$1,500 must be scheduled. Replacement cost is available.

☐ Borrowed, Leased, Rented, or Hired Equipment

Coverage is available for up to 60 days for your legal liability to equipment that is borrowed, leased, rented, or hired. Limits up to \$200,000 are available.

☐ Underground Property Coverage

Extends Coverage for Scheduled Equipment, Business Personal Property, and Borrowed, Leased, Rented, or Hired equipment to provide up to \$10,000 for loss or damage while underground.

Liability Coverage

✓ Broadened Coverage for Employees

Coverage for employees, other than executive officers, is added for acts within the scope of their employment or while performing duties related to the conduct of your business.

✓ Non-Owned Watercraft Coverage Extension

Liability coverage for non-owned watercraft is provided for watercraft less than 50 feet in length as long as it is not being used to carry persons or property for a fee.

✓ Incidental Medical Services Coverage

This coverage extends protection to employees, including coverage for injury to fellow employees (not covered in your basic General Liability policy). In addition, it amends the definition of bodily injury to include psychological injury arising out of a negligent act, error, or omission in rendering incidental medical services.

✓ Truth-in-Lending and Leasing Liability Coverage

Provides liability protection for errors and omissions that result in civil lawsuits for businesses that sell products or services under payment agreements (formal or informal). Potential truth-in-lending action in itself does not necessarily represent catastrophic loss, but, in states where punitive damages are covered by insurance, this is of particular importance.

✓ Limited Coverage for Damage to Personal Property in Your Care, Custody, or Control

The liability care, custody, and control exclusion is limited only to the particular part of the property that you are attempting to service or repair. It does not apply when other insurance could pay for the property damage.

✓ Executive's Personal Liability

(Not all coverage parts available in all states)
Provides bodily injury and property damage protection for:

• Contingent Workers Compensation

In the event that an owner, partner, corporate officer, or LLC manager does not have protection under their homeowners policy for individuals providing service at their residence property.

• Not-for-Profit Personal Liability

Bodily injury and property damage protection is provided for an owner, partner, officer, and their family members when serving on the board of directors of a nonprofit organization.

• Personal Executive Coverage

Provides coverage from an assault or attack on an owner, partner, officer, and family member. Coverage can also pay security expenses for threat of an assault, attack, or a stalking threat.

✓ Electronic Data Liability

This endorsement makes available up to \$50,000 for loss to electronic data as a result of physical injury to tangible property.

❑ Limited Pollution Coverage—Job Sites

Available as an optional endorsement, we may provide up to \$100,000 for pollution incidents arising out of release from a pollutant you brought to the job site. Pollutant releases when you did not bring the pollutant to the site are generally covered by the General Liability policy.



Coverage Options and Policies

Optional Property Coverage

☐ **Additional Value Protection**

Provides an additional limit of liability on building(s) by 25 percent to cover a deficiency (e.g. inflation, labor/material shortage) in the “building replacement cost limit” that may exist at the time of loss. A building must be insured to 100 percent of replacement cost.

☐ **Premier Select®—Business Income**

Provides for loss of income and extra expense for up to 12 months following a covered loss.

☐ **Computer and Diagnostic Equipment**

Coverage includes mechanical failure, temperature extremes, and electrical disturbances.

☐ **Utility Services—Time Element**

Coverage may be provided for loss of income due to the interruption of communication, water, or power service.

☐ **Utility Services—Direct Damage**

Covers loss or damage to covered property caused by the interruption of water, communication, or power supply. The interruption must be caused by a covered cause of loss to the utility property.

☐ **Building Ordinance and Law**

Coverage includes three basic areas, if required by ordinance or law, after a covered building is damaged by a covered cause of loss:

- Loss in value to the undamaged portion of the covered building if the law requires demolition of this undamaged portion.
- Costs of demolition of the undamaged portion of the covered building.
- Increased cost of construction to repair or replace the covered building so that it complies with current regulatory requirements.

Optional Crime Coverage

☐ **Employee Theft**

Coverage may be provided for direct loss or damage to your covered property, money, and securities resulting from dishonest acts committed by any of your employees.

☐ **Forgery or Alteration**

Coverage may be provided for loss resulting directly from forgery or alteration of any check, draft, promissory note, bill of exchange, or similar written promise of payment in money that your business has issued or was issued by someone impersonating your business agent.

☐ **Theft of Money and Securities**

Coverage may be provided for loss of money and securities used in your business caused by theft, disappearance, or destruction. Separate limits can be provided for both on and off premise coverage.

☐ **Computer Fraud**

Coverage may be provided for theft accomplished through the use of a computer to transfer property fraudulently from inside the premises (including banking premises) to someone or someplace outside the premises.

☐ **Funds Transfer Fraud**

Coverage may be provided for loss of funds resulting from a fraudulent instruction to transfer, pay, or deliver money or securities at a financial institution.

☐ **Money Order and Counterfeit Paper**

Coverage may be provided for loss resulting directly from your acceptance of money orders and/or counterfeit paper currency acquired during the regular course of business.

Optional Data Compromise Coverage

Coverage provides for expenses related to the loss, theft, or accidental release of personal information that was in your care, custody, or control.

☐ Response Expense Reimbursement

Provides for the cost of notifying affected individuals and of providing services, such as credit monitoring or identity restoration, for those who become victims of identity theft. Also provided is up to \$5,000 for Legal Counsel and Forensic Information Technology (IT) Review. A \$50,000 annual aggregate is available.

☐ Defense and Liability

Provides for the cost to investigate and defend, as well as the cost of damages, judgments, or settlements brought by affected individuals. A \$50,000 annual aggregate is available.

Contract Bonds

Federated can provide bid, performance, maintenance, and payment bonds. We offer competitive rates, no set-up fee to establish a line of credit, and a simplified application for jobs under \$50,000 (for contractors that bond less than three times a year).

Optional Liability Coverage

☐ Business Errors and Omissions

This policy provides protection for damages, including consequential loss, you must pay as a result of faulty workmanship, material or design, or product. Coverage includes cost for repairing or replacing your product or your work and applies whether or not bodily injury or property damage is involved.

☐ Employee Benefit Liability

Employee benefit liability coverage pays for errors and omissions in the administering of employee benefit programs subject to a \$1,000 deductible.

☐ Workers Compensation (Employer Liability Stop-Gap – Monopolistic States Only)

Extends protection if you or your business are sued for a work-related injury.

☐ Employment-Related Practices Liability

Coverage may be available for alleged, unintentional discrimination, sexual harassment, or wrongful termination of an employee or prospective employee.

☐ Commercial Umbrella

First dollar defense and damages may be provided on a non-general aggregate basis; includes non-employment-related harassment/discrimination.

☐ Personal Umbrella

Coverage may prevent losing ownership interest in your business due to a claim from a personal, non-business exposure.





This overview is for general information only. It is not intended to include all risk exposures nor does it include all possible exclusions of coverage. Individual policies will contain coverages, deductibles, limitations, and exclusions selected. The terms of each policy will control. Coverage for actual claims will be determined by the individual policy terms and facts of the claim. All coverage types may not be available in all states.



It's Our Business to Protect Yours®

Federated Mutual Insurance Company
Federated Service Insurance Company*
Federated Life Insurance Company
Home Office: 121 East Park Square • Owatonna, Minnesota 55060
Phone: (507) 455-5200 • www.federatedinsurance.com

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