

# Contractor's Check List

How do you know if you need professional liability insurance?

Answer the following questions:

**Do you provide in-house design, with or without construction responsibility?**

As a contractor, you are liable for the performance of any architects or engineers you employ. You can be held legally responsible for their negligence.

Yes  No

**Do you subcontract design services to other parties?**

You can also be held vicariously liable for the negligence of any architects or engineers you hire as subcontractors.

Yes  No

**Do you participate in joint-venture projects with an architect or engineer?**

When entering into a joint venture with a design firm, you can be held liable for the negligence of their architects and engineers.

Yes  No

**Do you provide agency or at-risk construction management services?**

When acting as a construction manager who facilitates projects or advises project owners, you can be held liable for your professional services.

Yes  No

**Do you provide value engineering services?**

When you make value engineering suggestions, you are offering your professional opinion and can be held legally liable for that advice.

Yes  No

**Are you ever responsible for revisions to architectural or engineering designs?**

If you revise design plans without having them approved and re-stamped by the architect or engineer, you may become liable for the design.

Yes  No

**Do you ever assume design delegation responsibility as defined by AIA A201 document, 2007 edition?**

By assuming design delegation responsibility under the provisions of AIA A201 General Conditions Document, you are responsible for performance of professional services rendered by outside design professionals.

Yes  No

**Do you ever assume indemnification responsibility for negligent design in contracts with your clients?**

If someone is injured in a building, the owner is liable simply because they own the building. When you contractually agree to indemnify the owner for negligent design, you assume the responsibility for the owner's liability.

Yes  No

As a contractor, if you answered "Yes" to any of the questions above, you need professional liability coverage to provide defense and design protection for your firm. Call your broker to discuss your insurance needs, or call Schinnerer at 301-961-9800.

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