



## Coverage Concerns Before, During and After a Project

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### **Beware the underinsured project!**

In today's environment, general liability policies often don't match the potential exposure.

When it comes to construction defect coverage, owners and general contractors need to control the liability coverage as much as possible on the project and assume there will be issues after the project is completed.

Remember, you won't have much control over any project's insurance coverage once it's complete (unless covered by a wrap). You can require subs to have insurance and verify the limits and coverage prior to and during construction, only to find later that the sub has gone out of business, the limits have been depleted or that the sub no longer carries liability insurance coverage

that is applicable to the project.

If a claim situation arises, it's important to have a knowledgeable coverage attorney that specializes in your specific construction business market. Liability language today is considerably different than it was in years past. Policies are customized with 60-70 endorsements and there is no standard language.

Finally, when a claim arises, it's important to analyze available coverage early and set reasonable expectations, particularly in non-wrap situations where subcontractors are no longer in business. The claimant needs realistic understanding of available funds and to set sights accordingly. Often times, the plaintiff gets heavily invested in a suit only to find that a small percentage is available for the claim. ■