

THANK YOU FOR JOINING US TODAY

GL-Only Wrap-Up Insurance Made Simple

LIVE WEBINAR | EXPERT INDUSTRY PANEL



JOSHUA M. ROGOVE

MODERATOR

PRESIDENT, CR SOLUTIONS

Independent insurance wrap-up
administrator

Advises clients on construction project exposures, coverage options, and insurance rates related to types of wrap-up programs.

Formerly AIG's New York Regional Manager, Rogove holds an MBA in finance from St. John's University, a BBA from the University of Florida, a Construction Risk and Insurance Specialist (CRIS) designation, and is a licensed Property and Casualty broker. He serves on several boards of directors, including the Spencer Reid Foundation.



**TECHNICAL LEADERSHIP AND
INDUSTRY KNOWLEDGE BASED ON
NEARLY TWO DECADES'
EXPERIENCE IN THE SECTOR**

MEET THE PANELISTS



NICHOLAS H. KOT

ACCOUNT EXECUTIVE,
PROJECT RISK

Parker, Smith & Feek



PARKER | SMITH | FEEK



TANYA SANTRY

DIRECTOR OF CONSTRUCTION
RISK MANAGEMENT

Fisher Harris Shapiro, Inc.



LEAH STEWART

ACCOUNT
EXECUTIVE

CR Solutions



DISCUSSION POINTS

TODAY'S TOPICS

About GL-Onlys (Goals, Eligibility, Types)

Cost, Benefits, and Coverages

Who Should Control? (OCIP vs. CCIP)

Roles and Responsibilities

Choosing the Right Team

When to Start

How to Ensure Success

Key Takeaways

PLEASE NOTE:

A recorded version of this webinar
and the slides will be emailed to
you after the webinar.

WHAT IS A GL-ONLY WRAP-UP POLICY?

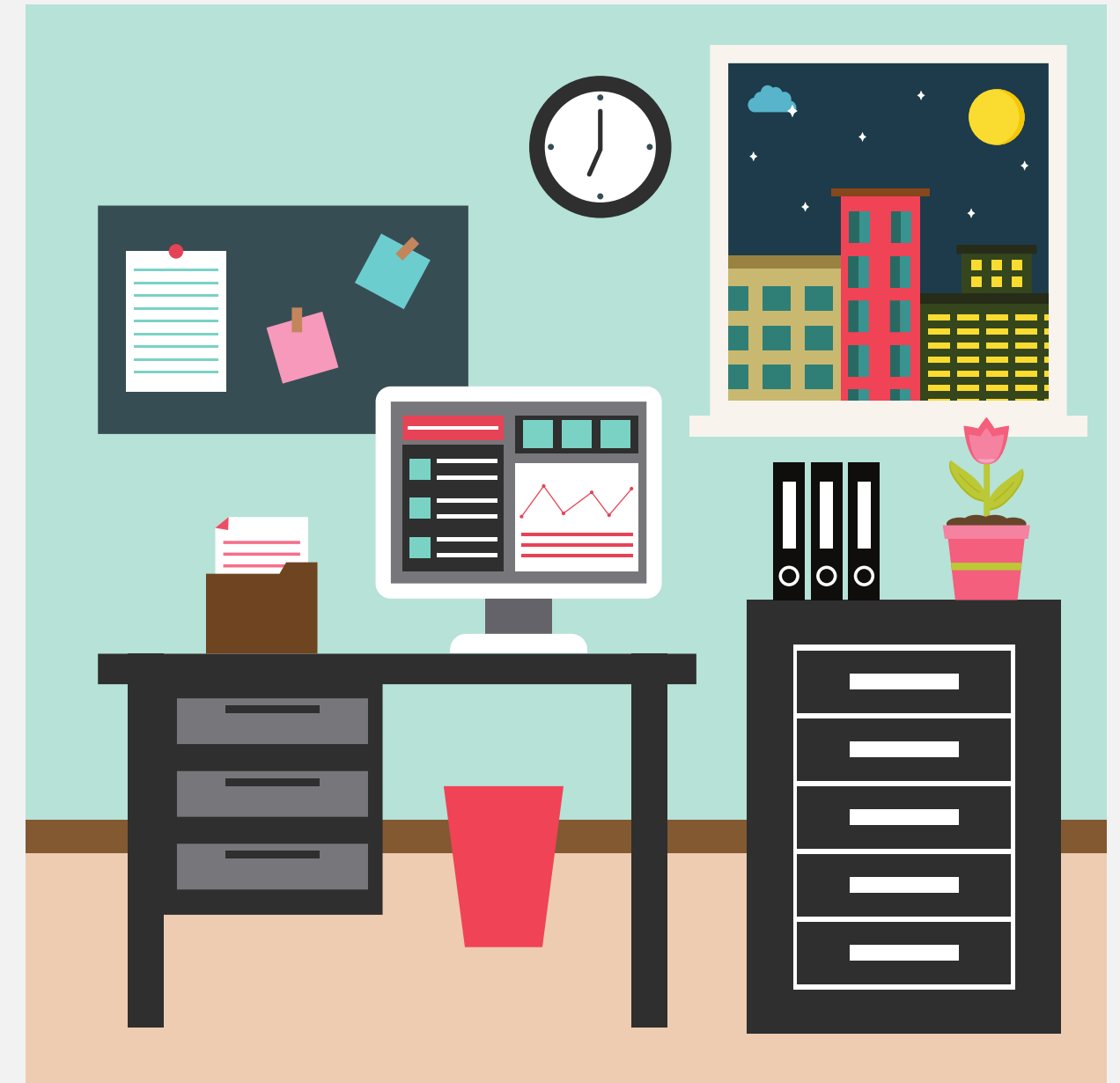
A General Liability (GL-Only) wrap-up offers project specific general liability and excess coverage under a single insurance program for a construction project. It is sponsored by the owner (OCIP) or contractor (CCIP) and covers all eligible contractors at a defined location.



OVERVIEW OF GOALS, TOOLS, DELIVERABLES

SOME OF THE REASONS THAT GL-ONLY PROGRAMS ARE PLACED OVER TRADITIONAL OR PROJECT SPECIFIC INSURANCE IS FOR:

- Greater control of insurance costs with potential for savings
- Limits of insurance
- Quality & stability of the coverage
- Safety & claims management
- Promotes MBE/WBE participation



FULL WRAPS VS. GL-ONLY ONLY

POPULAR CHOICE FOR MANY TYPES OF CONSTRUCTION PROJECTS

INSURANCE MARKETS

Standard markets vs.
Excess and Surplus
Markets

DISTRIBUTION

Retail brokers vs.
Wholesale brokers

PROGRAM STRUCTURE

Large Deductible
(collateral required) vs.
Small Deductible (no
collateral required)

MOTIVATIONS

Risk management
and financial benefits



ELIGIBLE PROJECT OF A LESSER VALUE

RECENT INCREASE IN GL-ONLY
PLACEMENTS

For GL-Only programs, we have seen GL-Only programs underwritten on projects as small as \$10M, and if included in a rolling program, individual project sizes may even be less than that, depending on the type of job.

Based on this smaller job threshold, there are more jobs available that qualify for this product.

PROJECT SPECIFIC VS. ROLLING PROGRAM

GL-ONLY PROGRAMS CAN BE
PURCHASED/PLACED ON SINGLE SITE
PROGRAMS OR ON A ROLLING BASIS



Coverage should be dedicated per
project



Ideally with limits reinstating annually



With a dedicated completed operations
tail

REDUCE THE COST OF BIDS FROM CONTRACTORS

UNDERSTANDING THE COST

As an owner/developer you're paying for the GL insurance for the project either through the OCIP or via passthrough from the GC and Subs

PROTECTS THE PROJECT AND OTHER BENEFITS

THE OCIP IS A PROGRAM THAT OFFERS
BETTER COVERAGE

DEDICATED LIMITS

Project specific coverage

HIGHER LIMITS / BROADER COVERAGE

Ensures adequate limits and alleviates concerns regarding
exclusions

SINGLE PRIMARY POLICY

Eliminates question of who is at fault while providing a single
defense



COVID-19 CONSIDERATIONS

1

HARD MARKET

Market was hardening and now will be more difficult after Covid19

2

GENERAL CONTRACTOR

May not want to provide the insurance with focus on building the project subject to all the new regulations imposed by CDC and The Department of Building

3

SUBCONTRACTORS

May experience insurance lapses. Subs may no longer be in business

4

BENEFITS OF OCIPS

OCIP secures coverage on projects

BENEFITS

OWNER, CONTRACTOR, PROJECT

OWNER

Comprehensive insurance coverage for all participants. Cost control, lower premiums, economies of scale and elimination of redundancies. Reduced litigation and improved conflict resolution. Control of insurance coverage and limits of liability

CONTRACTOR

A wrap-up offers protection from rate increases during the project span. Provides coordinated claims safety programs with higher limits, and protection from cross litigation

PROJECT

Better risk management and comprehensive loss control. Higher safety standards – a single source, standardized program simplifies jobsite security



NAMED INSURED

VS

ADDITIONAL INSURED



POST CONSTRUCTION



Fewer Worries

Do not have to worry about adequate limits or insolvency of the GC.



Completed Operations

Once the project ends ensures coverage in place through the statute or repose.



Limited Repair Endorsement

Offers coverage if subcontractor needs to come back to the project and perform work.

WHY GC SHOULD HANDLE THE COVERAGE (CCIP)

COST SAVINGS

GC has a rolling program with competitive rates, is the deductible lower, potential cash flow options for the Owner (negotiate a payment plan with the GC)



GL-ONLY WRAP-UP INSURANCE MADE SIMPLE



GC'S HAPPY TO HAVE THEIR INSURANCE REPLACED?

More often than not the owner/developer is going to receive pushback from the GC, especially if OCIP is not explored early in the contract/budgeting process with the GC

DRAWBACKS TO OWNER (OCIP)

The main one we see is when an extension is needed if the project is not completed that has become more difficult to negotiate as well as A/P's relating to duration. Additional premium at audit. Sours relationship with GC. More involved in claims.



GL-ONLY ROLES AND RESPONSIBILITIES

The OCIP is more work on the front end than traditional risk pass through

ROLES

THE PART EACH ROLE PLAYS TO ENSURE A SUCCESSFUL PROJECT



OWNERSHIP

Ownership has to be committed to the OCIP and what can become challenging conversations with the GC.



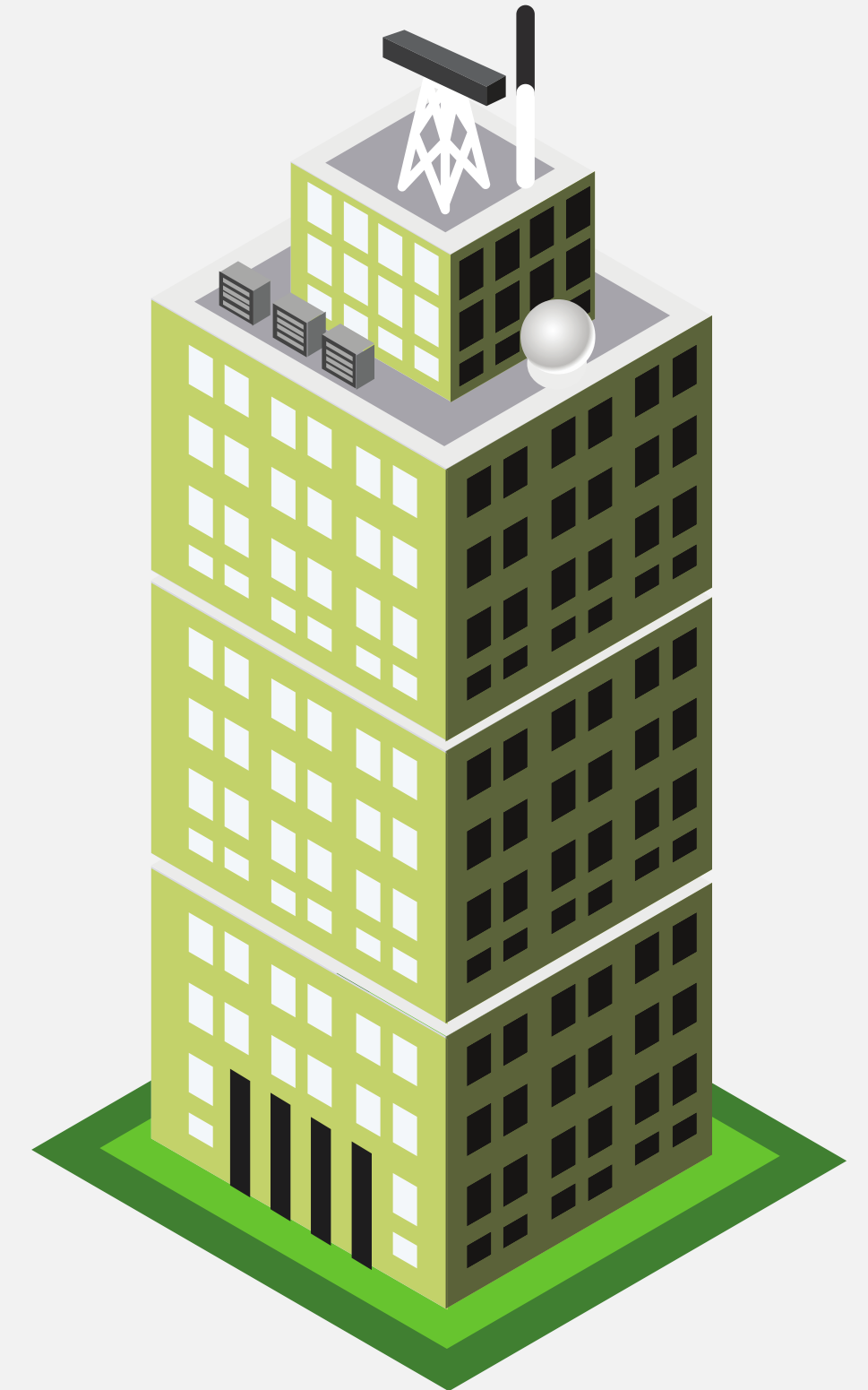
BROKER

The broker needs demonstrated capability in procuring proper coverage for the project and in helping facilitate the OCIP administration process.



GENERAL CONTRACTOR

The GC has to commit to the Bid, Enrollment and Administrative process and commit to keeping their subs on track.



CHOOSING A GOOD BROKER, ADMINISTRATOR, CONSULTANT

TO GUARANTEE BEST OUTCOMES



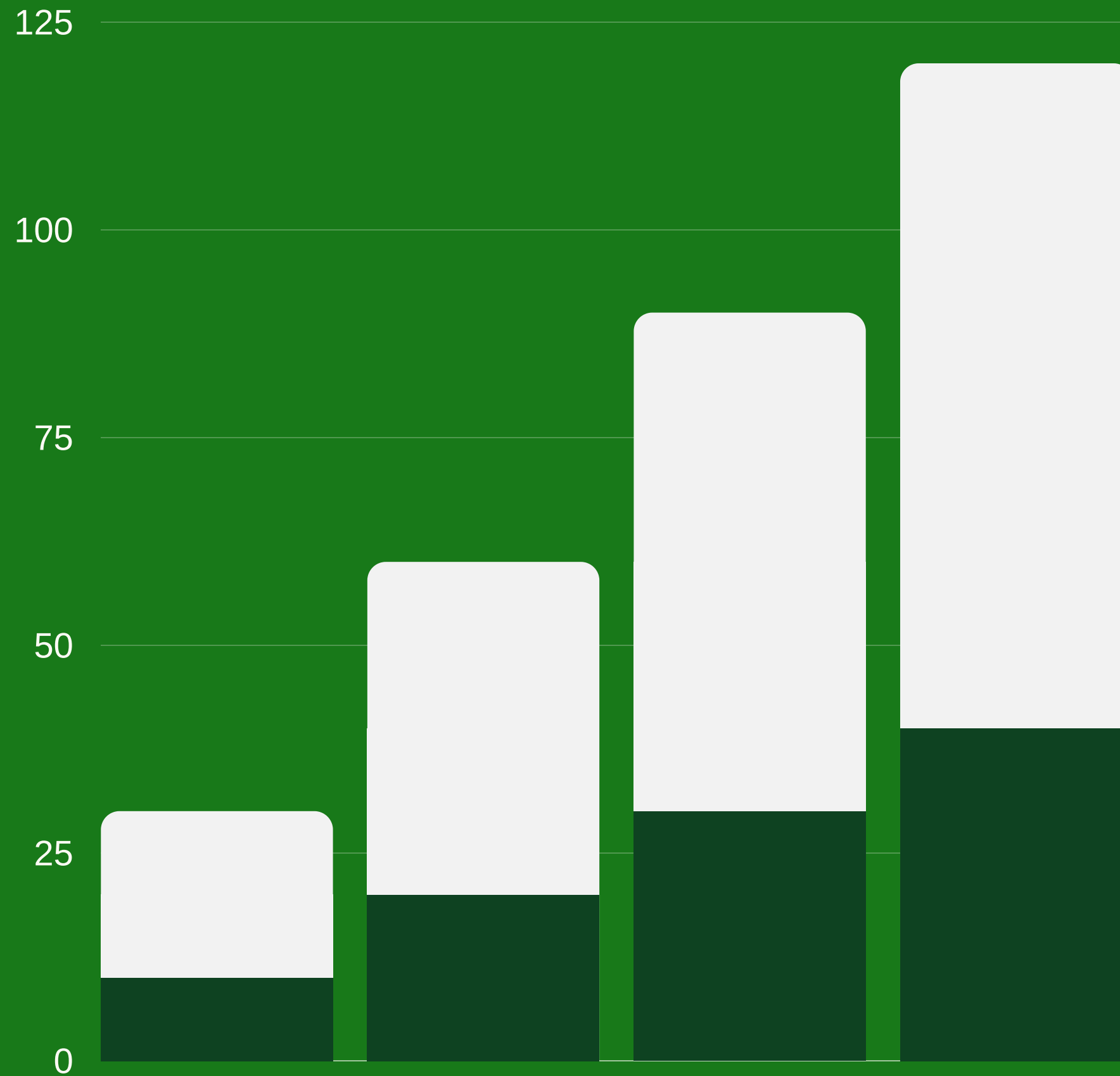
BROKER



ADMINISTRATOR



CONSULTANT



HOW TO ENSURE SUCCESS

- Start Early
- Comprehensive Program Documents
- Enrollment/COI Collection
- Communication

LESSONS LEARNED TO GUARANTEE BEST OUTCOMES



KEY TAKEAWAYS

THANK YOU TO EVERYONE WHO JOINED US
FOR TODAY'S WEBINAR

GL-ONLY WRAP-UP INSURANCE MADE SIMPLE

Thank you for your time and have a
wonderful rest of your day



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FOR QUESTIONS OR
CONCERNS

