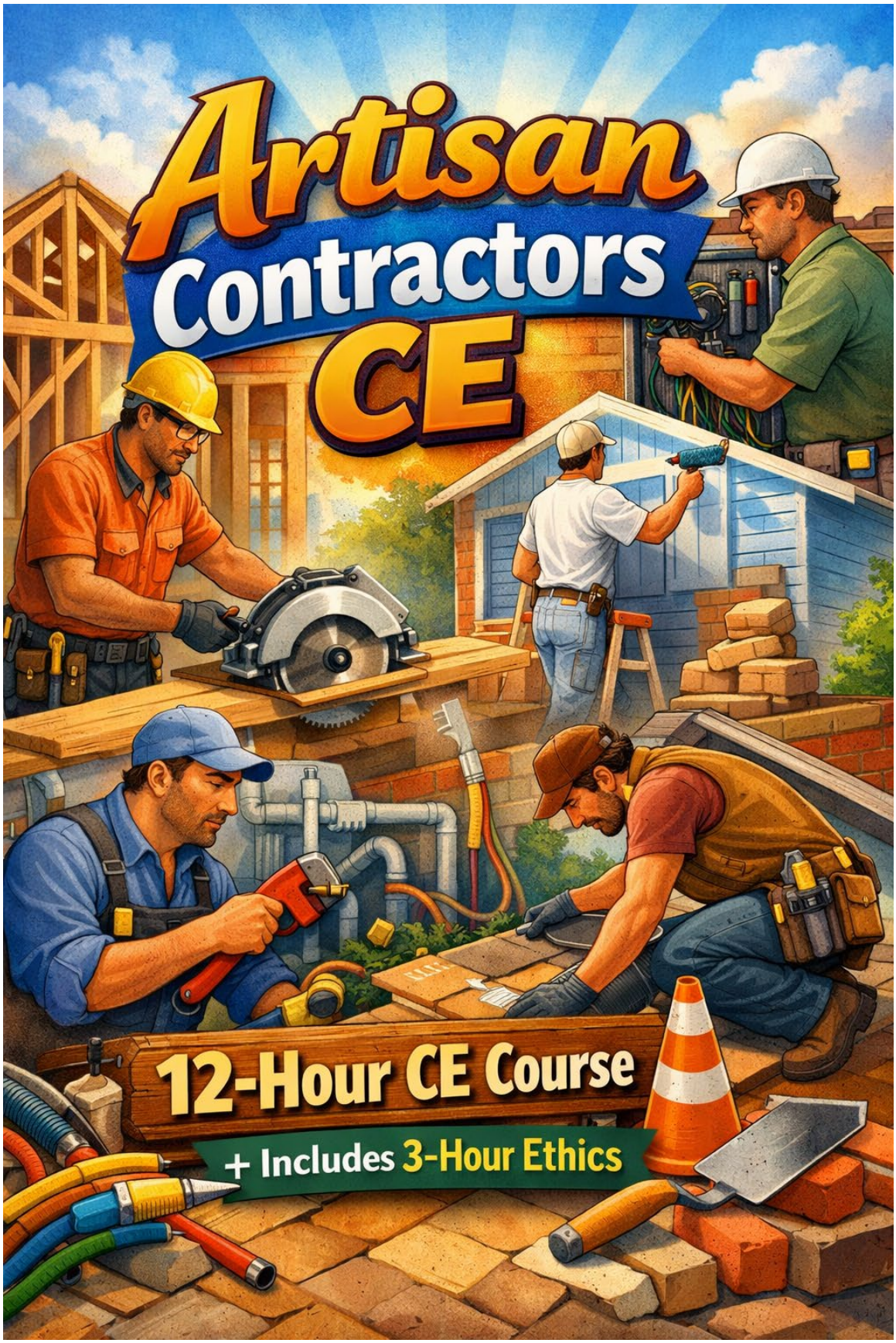
Artisan
Contractors
CE
12-Hour CE Course
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This ebook covers areas that insurance agents should know about insuring Artisan Contractors, including different types of coverage, common risks, and best practices for helping clients choose the right policy. It would be a valuable resource for agents looking to expand their knowledge and better serve their clients in the insurance market.

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MODULE 1 — UNDERSTANDING ARTISAN CONTRACTORS

1.1 Introduction: Who Are Artisan Contractors?

Artisan contractors are the backbone of residential and light commercial construction. They are the skilled tradespeople who install, repair, build, and maintain the systems that make homes and small businesses function.

They are typically:

- Small businesses (1–10 employees)
- Highly specialized
- Equipment-dependent
- Mobile (jobsite to jobsite)
- Exposed to multiple lines of insurance risk

Examples of artisan contractors include:

- Plumbers
- Electricians
- HVAC technicians
- Carpenters
- Masons
- Painters
- Tile installers
- Drywall contractors
- Low-voltage technicians
- Handyman services

These businesses often operate with tight margins, limited administrative staff, and a heavy reliance on subcontractors. That combination creates **unique insurance challenges** that producers must understand.

1.2 Why Artisan Contractors Are High-Risk Accounts

Artisan contractors face a blend of exposures that cross multiple lines of insurance:

1. Liability Exposure

- Property damage to a customer's home
- Bodily injury to third parties
- Completed operations claims
- Damage caused by subcontractors
- Contractual liability from jobsite agreements

2. Property Exposure

- Tools and equipment
- Materials stored in vehicles

- Jobsite materials awaiting installation
- Small office or shop contents

3. Auto Exposure

- Work vans and trucks
- Trailers
- Employees driving personal vehicles for business
- Hired vehicles for material pickup

4. Employee Exposure

- Ladder falls
- Electrical shock
- Burns
- Back injuries
- Chemical exposure

5. Contractual Exposure

- Additional insured requirements
- Hold harmless agreements
- Certificate of insurance demands
- Waivers of subrogation

6. Regulatory Exposure

- Licensing
- Workers' comp requirements
- OSHA standards
- Environmental rules (HVAC, plumbing, painting)

Bottom line: Artisan contractors are small businesses with **big-business exposures**.

1.3 Common Trades and Their Risk Profiles

Plumbers

- High frequency of water damage claims
- Burst pipes, failed fittings, improper installation
- Mold exposure
- High severity when multi-story buildings are involved

Electricians

- High severity fire risk
- Code compliance issues
- Shock and burn injuries
- Completed operations claims years after installation

HVAC Technicians

- Refrigerant leaks
- Electrical fires
- Water damage from condensate lines
- High equipment value (tools + gauges + recovery machines)

Masons

- Structural collapse
- Falling debris
- Heavy equipment exposure
- High workers' comp severity

Carpenters

- Saw injuries
- Structural framing errors
- Tool theft
- Ladder and roof falls

Painters

- Overspray damage
- Ladder falls
- Chemical exposure
- Property damage to vehicles or neighboring buildings

1.4 Regulatory Environment (Georgia-Focused)

Georgia requires:

- **Licensing** for electricians, plumbers, HVAC, and certain specialty trades
- **Workers' compensation** for businesses with **3+ employees**
- **Certificates of insurance** for subcontractors
- **Compliance with building codes**
- **EPA Section 608 certification** for HVAC refrigerant handling
- **Lead-safe practices** for pre-1978 homes (EPA RRP Rule)

Failure to comply can result in:

- Fines
- Stop-work orders
- Loss of license
- Contract disputes
- Insurance claim denials

1.5 Insurance Needs Overview

Every artisan contractor needs a core package of coverages:

1. Commercial General Liability (CGL)

Covers bodily injury, property damage, and completed operations.

2. Inland Marine / Contractor's Equipment

Covers tools and equipment that move from job to job.

3. Business Auto

Covers work vehicles, trailers, and employee use.

4. Workers' Compensation

Covers employee injuries and protects the employer from lawsuits.

5. Umbrella Liability

Adds an extra layer of protection above CGL and Auto.

6. Optional but Important

- Installation Floater
- Pollution Liability
- Cyber Liability
- Employment Practices Liability (EPLI)

1.6 Case Study — Solo Electrician vs. Small Plumbing Firm

Scenario

Two small contractors approach you for insurance:

Contractor A: Solo electrician **Contractor B:** 5-person plumbing firm

Electrician Risk Profile

- High severity fire exposure
- Lower frequency of claims
- Expensive tools
- High completed operations exposure

Plumbing Firm Risk Profile

- High frequency of water damage claims
- Mold exposure
- Multiple employees → workers' comp required

- Subcontractor use likely

Insurance Implications

The electrician needs:

- Strong completed operations coverage
- Higher limits
- Equipment coverage

The plumbing firm needs:

- Workers' comp
- Higher general liability limits
- Water damage endorsements
- Subcontractor risk transfer

1.7 Real-World Claims Examples

Example 1 — Faulty Electrical Work

An electrician incorrectly wires a panel. Six months later, a fire destroys the customer's garage. **Paid:** $185,000 **Cause:** Completed operations error

Example 2 — Plumbing Water Damage

A plumber installs a faulty fitting. A slow leak ruins flooring and drywall. **Paid:** $42,000 **Cause:** Improper installation

Example 3 — HVAC Refrigerant Leak

A technician punctures a refrigerant line. Cleanup requires environmental remediation. **Paid:** $18,000 **Cause:** Pollution liability gap

Example 4 — Masonry Collapse

A partially built wall collapses in high wind. **Paid:** $67,000 **Cause:** Improper bracing

1.8 Exercise — Identify the Exposure

Match the contractor to the most likely claim:

1. HVAC technician
2. Painter
3. Mason
4. Electrician

A. Overspray damage B. Fire from faulty wiring C. Refrigerant spill D. Wall collapse

Answers: 1-C, 2-A, 3-D, 4-B

1.9 Summary

Artisan contractors are small businesses with complex exposures. Understanding their risks is the foundation for building a proper insurance program.

In the next module, we'll break down the **core coverages** every artisan contractor needs — and the gaps that cause the most E&O claims for producers.

CLICK HERE TO TEST YOUR UNDERSTANDING OF THE PREVIOUS TOPICS

MODULE 2 — CORE INSURANCE COVERAGES FOR ARTISAN CONTRACTORS

Artisan contractors rely on insurance more than most small businesses. Their work involves tools, vehicles, employees, jobsite hazards, and contractual obligations — all of which create exposures that must be covered by the right combination of policies.

This module breaks down the **core coverages** every artisan contractor needs, why they matter, and where producers most often see claims and E&O issues.

2.1 Commercial General Liability (CGL)

CGL is the foundation of every artisan contractor's insurance program. It protects the contractor when their work causes bodily injury or property damage to others.

What CGL Covers

- **Bodily Injury** Example: A homeowner trips over a contractor's tool bag.
- **Property Damage** Example: A plumber accidentally cracks a marble countertop.
- **Products & Completed Operations** Example: An electrician's faulty wiring causes a fire months after installation.
- **Personal & Advertising Injury** Example: A contractor is accused of defamation in an online review dispute.

Why CGL Matters

CGL claims can be financially devastating. Even a small mistake can lead to:

- Six-figure water damage
- Fire losses
- Lawsuits from subcontractor errors
- Claims years after the job is completed

Common Gaps

- Subcontractors not properly insured
- No additional insured endorsements
- No waiver of subrogation

- No completed operations coverage
- Incorrect classification of operations

Georgia Note

Georgia courts often interpret exclusions strictly. If the policy excludes faulty workmanship, the contractor may have **no coverage** for the cost to redo the work — only for resulting damage.

2.2 Property Coverage (Business Personal Property)

Many artisan contractors have a small office or shop where they store:

- Tools
- Inventory
- Materials
- Computers
- Supplies

Property coverage protects these items **at the business location**.

What Property Coverage Includes

- Furniture
- Office equipment
- Inventory
- Materials stored indoors
- Small tools kept at the shop

What It Does NOT Cover

- Tools in vehicles
- Tools at jobsites
- Equipment in transit
- Borrowed tools
- Rental equipment

These exposures require **Inland Marine**, which we cover next.

2.3 Inland Marine (Contractor's Equipment & Tools)

Inland Marine is the most misunderstood — and most essential — coverage for artisan contractors.

Why Inland Marine Is Critical

Contractors move tools constantly:

- From shop → truck
- Truck → jobsite

- Jobsite → storage
- Jobsite → another jobsite

Property policies do **not** cover items once they leave the premises.

What Inland Marine Covers

- Hand tools
- Power tools
- Ladders
- Compressors
- Generators
- Scaffolding
- Jobsite materials
- Borrowed or rented equipment (if endorsed)

Common Claims

- Tool theft from trucks
- Jobsite theft
- Damage from dropping equipment
- Fire at a jobsite trailer
- Stolen copper, lumber, or HVAC units

Georgia Note

Tool theft is one of the **highest-frequency claims** for small contractors in Georgia due to:

- Unlocked trucks
- Overnight parking
- Jobsite trailers with minimal security

2.4 Installation Floater

An Installation Floater covers **materials that will be installed** but are not yet part of the structure.

Examples

- Cabinets waiting to be installed
- HVAC units stored in a garage
- Tile stacked in a hallway
- Electrical panels staged for installation

Why It Matters

If materials are damaged **before installation**, the contractor is responsible — not the homeowner.

Common Claims

- Water damage to flooring stored onsite
- Theft of appliances
- Fire destroying staged materials
- Vandalism at a jobsite

2.5 Business Auto Coverage

Contractors rely heavily on vehicles:

- Vans
- Pickup trucks
- Box trucks
- Trailers
- Utility trucks

What Business Auto Covers

- Liability for accidents
- Physical damage to the contractor's vehicles
- Towing and labor
- Hired and non-owned auto (if endorsed)

Why Personal Auto Policies Fail

Personal auto policies exclude:

- Business use
- Vehicles titled to a business
- Employees driving personal vehicles for work
- Trailers used for business

Georgia Note

Georgia requires **minimum liability limits**, but contractors should carry **much higher limits** due to:

- Heavy vehicles
- Trailers
- Distracted driving risks
- Employee drivers

2.6 Workers' Compensation

Workers' comp is required in Georgia for businesses with **3 or more employees**.

What Workers' Comp Covers

- Medical expenses
- Lost wages
- Disability benefits
- Death benefits

Why It Matters for Contractors

Artisan trades have some of the **highest injury rates**:

- Ladder falls
- Back injuries
- Cuts and lacerations
- Electrical shock
- Burns
- Chemical exposure

Employer Liability (Part B)

Covers lawsuits from:

- Third-party over actions
- Loss of consortium
- Dual capacity claims

2.7 Umbrella Liability

Umbrella coverage provides an extra layer of protection above:

- CGL
- Auto
- Employer's liability

Why Contractors Need It

Contractors face:

- High-severity auto claims
- Multi-party lawsuits
- Contractual requirements
- Large completed operations exposures

A $1M CGL limit is rarely enough.

2.8 Specialty Coverages (Optional but Important)

Pollution Liability

Covers:

- Mold
- Fumes
- Chemical spills
- Refrigerant leaks
- Overspray

Cyber Liability

Covers:

- Ransomware
- Hacked laptops
- Lost customer data
- Payment fraud

Employment Practices Liability (EPLI)

Covers:

- Wrongful termination
- Harassment
- Discrimination claims

Contractor's E&O

Covers:

- Design errors
- Professional mistakes
- Misinterpretation of plans

2.9 Case Study — Coverage Package for a Small Contractor

Scenario

A 4-person HVAC firm asks for a "basic policy."

Recommended Package

- CGL
- Inland Marine
- Business Auto
- Workers' Comp
- Umbrella
- Installation Floater
- Cyber Liability

Why

HVAC contractors face:

- High equipment value
- Refrigerant spills
- Water damage
- Electrical fires
- Employee injuries
- Auto accidents

2.10 Exercise — Match the Coverage

Match the exposure to the correct coverage:

1. Tools stolen from a truck
2. Employee falls off a ladder
3. Customer sues for water damage
4. Cabinets damaged before installation
5. Employee hits another car while driving to a jobsite

A. Workers' Comp B. Inland Marine C. CGL D. Installation Floater E. Business Auto

Answers: 1-B, 2-A, 3-C, 4-D, 5-E

2.11 Summary

Artisan contractors need a **multi-policy insurance program** to protect against:

- Liability
- Property loss
- Auto accidents
- Employee injuries
- Contractual obligations

The next module dives deeper into **Workers' Compensation & Employer Liability**, including misclassification — one of the biggest risks for contractors and producers alike.

CLICK HERE TO TEST YOUR UNDERSTANDING OF THE PREVIOUS TOPICS

MODULE 3 — WORKERS' COMPENSATION & EMPLOYER LIABILITY

Workers' Compensation is one of the most important — and most misunderstood — coverages for artisan contractors. It protects employees, protects the business, and protects the producer from E&O exposure.

This module breaks down Workers' Comp in plain English, with real-world examples, Georgia-specific rules, and practical guidance for insuring small trade contractors.

3.1 Why Workers' Compensation Matters for Artisan Contractors

Artisan contractors work in some of the **highest-risk environments** in the insurance industry:

- Heights
- Power tools
- Electricity
- Chemicals
- Heavy lifting
- Confined spaces
- Heat and cold exposure

Even the safest contractor cannot eliminate all risk. Workers' Comp ensures that when injuries happen — and they will — the employee receives medical care and wage replacement, and the employer is protected from lawsuits.

3.2 Workers' Compensation: The Basics

Workers' Compensation provides **no-fault benefits** to employees who are injured on the job.

What Workers' Comp Covers

1. **Medical Benefits**
    - Doctor visits
    - Surgery
    - Physical therapy
    - Medications
    - Hospitalization
2. **Wage Replacement (Indemnity Benefits)**
    - Temporary total disability
    - Temporary partial disability
    - Permanent disability
3. **Rehabilitation Benefits**
    - Physical rehab
    - Vocational retraining
4. **Death Benefits**
    - Funeral expenses
    - Income for dependents

Why It's Critical

Without Workers' Comp, a single injury can bankrupt a small contractor.

3.3 Employer Liability (Part B)

Employer Liability protects the contractor from lawsuits **outside** the Workers' Comp system.

Examples

- **Third-party over actions** A homeowner sues the contractor after an injured employee blames unsafe conditions.

- **Loss of consortium** A spouse sues for loss of companionship.
- **Dual capacity claims** The employer is sued in a role other than employer (e.g., as a product manufacturer).

Employer Liability is included in most Workers' Comp policies, but limits vary.

3.4 Employee vs. Independent Contractor Classification

This is one of the **biggest E&O traps** for producers.

Many artisan contractors try to classify workers as "1099 subcontractors" to avoid:

- Payroll
- Workers' Comp premiums
- Taxes
- Administrative work

But Georgia law looks at **control**, not paperwork.

Georgia Classification Factors

A worker is likely an **employee** if the contractor:

- Controls the schedule
- Provides tools
- Directs how work is done
- Pays hourly or weekly
- Requires the worker to represent the company
- Has the right to fire the worker

If misclassified:

- Workers' Comp may deny coverage
- The contractor may be sued
- The producer may face E&O exposure
- The Georgia DOI may impose penalties

3.5 Common Injuries in Artisan Trades

Plumbers

- Back injuries
- Knee injuries
- Slip-and-fall in wet areas

Electricians

- Electrical shock
- Burns

- Falls from ladders

HVAC Technicians

- Heat exhaustion
- Refrigerant burns
- Lifting injuries

Carpenters

- Saw injuries
- Nail gun accidents
- Roof falls

Painters

- Ladder falls
- Chemical exposure
- Respiratory issues

Masons

- Crush injuries
- Strains and sprains
- Falling debris

3.6 Case Study — Misclassification Dispute

Scenario

A painting contractor hires a “1099 helper” for a large job. The helper uses the contractor’s ladders, works the contractor’s schedule, and wears a company shirt.

One day, the helper falls from a ladder and breaks his leg.

Outcome

- The helper files a Workers’ Comp claim.
- The insurer denies it because he was not listed as an employee.
- The helper sues the contractor.
- The contractor sues the producer for not advising them correctly.

Lesson

If the contractor controls the worker, they are likely an employee — regardless of tax forms.

3.7 Premium Calculation Basics

Workers’ Comp premiums are based on:

1. **Payroll**
2. **Classification code**
3. **Rate per $100 of payroll**
4. **Experience Modification Factor (Mod)**

Example

A carpenter with $150,000 payroll and a rate of $7.50 per $100:

$$150{,}000 \div 100 = 1{,}500 \text{ rating units}$$
$$1{,}500 \times 7.50 = \$11{,}250 \text{ annual premium}$$

If the contractor has a Mod of 1.20:

$$11{,}250 \times 1.20 = \$13{,}500$$

3.8 Experience Modification Factor (EMF or "Mod")

The Mod compares the contractor's loss history to similar businesses.

- **Mod > 1.00** = worse than average
- **Mod < 1.00** = better than average

Why Frequency Matters More Than Severity

A contractor with **many small claims** is riskier than one with **one large claim**.

How Contractors Improve Their Mod

- Safety programs
- Return-to-work programs
- Claim reporting procedures
- Proper classification

3.9 Safety Programs & Loss Control

A strong safety program reduces:

- Injuries
- Premiums
- Mod factor
- OSHA violations
- Claims disputes

Effective Safety Practices

- Daily toolbox talks
- Ladder safety training
- PPE enforcement

- Lockout/tagout procedures
- Heat-stress protocols
- Chemical handling training

3.10 Extended Case Study — Safety Program Impact

Scenario

Two HVAC companies each have 10 employees.

Company A:

- No safety program
- No training
- No return-to-work plan
- Mod = 1.42

Company B:

- Weekly safety meetings
- Documented training
- Light-duty return-to-work
- Mod = 0.86

Outcome

Company B pays **40% less** in Workers' Comp premiums.

3.11 Employer Liability in Practice

Employer Liability claims often arise when:

- A subcontractor is injured
- A family member sues
- A third party is pulled into the claim
- The employee alleges negligence

Example

A homeowner sues the contractor after an employee falls and blames unsafe conditions.

Employer Liability responds.

3.12 Exercise — Evaluate a Safety Program

Which of the following reduces Workers' Comp claims?

1. Daily toolbox talks
2. Paying employees cash "under the table"

3. Lockout/tagout procedures
4. Ignoring minor injuries

Correct answers: 1 and 3

3.13 Summary

Workers' Compensation is essential for artisan contractors. Producers must understand:

- Classification
- Payroll
- Mod factors
- Safety programs
- Employer Liability
- Georgia requirements

Misclassification and poor documentation are the biggest risks — for both the contractor and the producer.

CLICK HERE TO TEST YOUR UNDERSTANDING OF THE PREVIOUS TOPICS

MODULE 4 — SPECIALTY ENDORSEMENTS & COVERAGE GAPS

Artisan contractors often believe that a "basic" General Liability policy covers everything. It doesn't — and this misunderstanding is one of the **top causes of E&O claims** against insurance producers.

This module explains the specialty coverages and endorsements that fill the gaps left by CGL, Auto, Property, and Workers' Comp. These endorsements are often the difference between a fully protected contractor and a financially devastating loss.

4.1 Why Specialty Endorsements Matter

Artisan contractors face exposures that standard policies **do not automatically cover**, including:

- Materials in transit
- Tools at jobsites
- Pollution from chemicals or refrigerants
- Cyberattacks
- Employee lawsuits
- Large liability claims
- Subcontractor errors

A contractor who declines these coverages may be **one claim away from bankruptcy**.

Producers must understand these gaps and document all recommendations.

4.2 Installation Floater

An Installation Floater covers **materials that are not yet installed** but are:

- In transit
- Stored at a jobsite
- Staged for installation
- Temporarily stored in a garage or building

Why Contractors Need It

If materials are damaged **before installation**, the contractor — not the homeowner — is responsible.

Common Claims

- Cabinets damaged by water while stored in a garage
- HVAC units stolen from a jobsite
- Tile ruined by a broken pipe before installation
- Electrical panels damaged by fire before installation

Georgia Note

Many contractors assume the homeowner's policy covers materials. It does **not** — until the materials become part of the structure.

4.3 Contractor's Equipment Coverage (Inland Marine)

This endorsement covers tools and equipment that move from job to job.

What It Covers

- Hand tools
- Power tools
- Compressors
- Generators
- Scaffolding
- Ladders
- Saws
- Jobsite trailers
- Borrowed equipment (if endorsed)

Common Claims

- Tools stolen from a truck
- Equipment damaged when dropped
- Fire in a jobsite trailer
- Theft from an unlocked garage

Why It Matters

Tool theft is one of the **highest-frequency claims** for artisan contractors.

4.4 Pollution Liability

Most contractors do not realize that their CGL policy excludes pollution.

What Counts as Pollution?

- Mold
- Fumes
- Vapors
- Chemicals
- Refrigerants
- Paint overspray
- Fuel spills
- Adhesives
- Solvents

Who Needs Pollution Liability?

- HVAC technicians
- Painters
- Plumbers
- Masons
- Carpenters
- Electricians (yes — arc smoke counts)

Common Claims

- Refrigerant leak requiring environmental cleanup
- Paint overspray damaging vehicles
- Mold growth after improper plumbing work
- Chemical spill from a contractor’s truck

Georgia Note

Refrigerant leaks are increasingly regulated. Cleanup costs can exceed **$10,000** even for small spills.

4.5 Cyber Liability

Even small contractors are targets for cybercrime.

Why Contractors Are Vulnerable

- They store customer addresses
- They store payment information
- They use laptops and mobile devices
- They rely on scheduling software

- They often lack cybersecurity training

What Cyber Liability Covers

- Ransomware
- Data breaches
- Stolen customer information
- Hacked email leading to payment fraud
- Business interruption from cyberattacks

Common Claims

- Contractor's laptop stolen → customer data exposed
- Email hacked → fraudulent wire transfer
- Ransomware locks scheduling software

4.6 Umbrella Liability

Umbrella coverage provides additional limits above:

- CGL
- Auto
- Employer's Liability

Why Contractors Need It

Contractors face:

- High-severity auto accidents
- Multi-party lawsuits
- Contractual requirements
- Completed operations claims

Example

A contractor's truck rear-ends a vehicle, causing:

- $300,000 bodily injury
- $150,000 property damage
- $200,000 legal fees

A $1M Auto limit may not be enough.

4.7 Employment Practices Liability (EPLI)

EPLI covers lawsuits from employees alleging:

- Wrongful termination
- Harassment

- Discrimination
- Retaliation
- Hostile work environment

Why Contractors Need It

Small contractors often lack:

- HR departments
- Written policies
- Training programs

This makes them vulnerable to employee lawsuits.

4.8 Additional Insured Endorsements

General contractors often require artisan contractors to add them as **additional insureds**.

Why It Matters

Without this endorsement:

- The GC may sue the contractor
- The contractor may lose the job
- The contractor may violate the contract

Types of Additional Insured Endorsements

- Ongoing operations
- Completed operations
- Primary and non-contributory
- Waiver of subrogation

Georgia Note

Certificates of insurance **do not** grant additional insured status. Only the endorsement does.

4.9 Common Coverage Gaps

Gap 1 — Subcontractors Not Insured

If a subcontractor causes damage and has no insurance, the contractor's policy may pay — and the contractor's premiums will increase.

Gap 2 — No Completed Operations Coverage

Some contractors unknowingly buy policies that exclude completed operations.

Gap 3 — Tools Not Covered

Tools in vehicles are not covered by Auto or Property.

Gap 4 — No Pollution Coverage

Refrigerant leaks, mold, and overspray are excluded.

Gap 5 — No Cyber Coverage

Hacked email → fraudulent payment → uninsured loss.

Gap 6 — No Umbrella

A single auto accident can exceed $1M.

4.10 Case Study — HVAC Contractor Without Pollution Liability

Scenario

An HVAC technician accidentally punctures a refrigerant line. The refrigerant leaks into a crawlspace.

Damage

- Environmental cleanup
- Air quality testing
- Disposal of contaminated soil
- Customer relocation

Total Cost: $14,800

Outcome

CGL denies the claim due to the pollution exclusion. Pollution Liability would have covered it.

4.11 Case Study — Masonry Firm Without Umbrella Liability

Scenario

A masonry wall collapses during construction. Debris injures a passerby.

Damages

- Medical bills
- Lost wages
- Pain and suffering
- Legal fees

Total Cost: $1.6 million

Outcome

CGL pays $1 million. Contractor owes $600,000 out of pocket. Umbrella would have covered the excess.

4.12 Case Study — Painting Firm Without Cyber Liability

Scenario

A painting contractor's laptop is stolen from a truck. The laptop contains customer addresses and payment information.

Damages

- Notification costs
- Credit monitoring
- Legal fees
- Lost business

Total Cost: $22,000

Outcome

No coverage under CGL or Property. Cyber Liability would have paid.

4.13 Exercise — Identify the Missing Coverage

Match the scenario to the missing coverage:

1. Cabinets stolen from a jobsite
2. Customer sues after mold grows from a plumbing leak
3. Employee claims wrongful termination
4. Contractor's email hacked → fraudulent payment
5. Contractor's truck causes a multi-car accident

A. EPLI B. Cyber Liability C. Umbrella D. Installation Floater E. Pollution Liability

Answers: 1-D, 2-E, 3-A, 4-B, 5-C

4.14 Summary

Specialty endorsements fill the gaps that standard policies leave behind. Producers must:

- Recommend them
- Explain them
- Document declinations

These endorsements often determine whether a contractor survives a major loss.

CLICK HERE TO TEST YOUR UNDERSTANDING OF THE PREVIOUS TOPICS

MODULE 5 — UNDERWRITING & COMPLIANCE FOR ARTISAN CONTRACTORS

Underwriting artisan contractors is part science, part detective work, and part risk-management coaching. This module gives producers a clear, practical understanding of:

- What underwriters look for
- How to prepare a clean submission
- How to avoid compliance pitfalls
- How to use ACORD forms correctly
- How to identify red flags before they become claims

This is one of the most important modules for reducing E&O exposure.

5.1 The Underwriting Process (Plain English Version)

Underwriting artisan contractors is about answering one core question:

"How risky is this contractor compared to others in the same trade?"

To answer that, underwriters evaluate:

1. **Operations**
2. **Employees**
3. **Subcontractors**
4. **Vehicles**
5. **Tools & equipment**
6. **Safety practices**
7. **Claims history**
8. **Financial stability**

The more complete and accurate the information, the better the pricing and coverage.

5.2 Key Underwriting Questions

Underwriters typically ask:

1. What type of work does the contractor perform?

- Residential or commercial?
- New construction or remodel?
- Service work or large projects?

2. What percentage of work is subcontracted?

- Are subs insured?
- Are certificates collected?
- Are additional insured endorsements required?

3. How many employees?

- Full-time
- Part-time
- 1099 workers (red flag)

4. What tools and equipment are used?

- High-value equipment
- Trailers
- Jobsite storage

5. What vehicles are used?

- Vans
- Pickup trucks
- Trailers
- Personal vehicles used for business

6. What safety practices are in place?

- Training
- PPE
- Ladder safety
- Return-to-work program

7. What is the claims history?

- Frequency
- Severity
- Patterns

8. Are there any high-risk exposures?

- Heights
- Confined spaces
- Electrical work
- Plumbing in multi-story buildings

5.3 ACORD Forms That Matter

Producers must submit complete, accurate ACORD forms to avoid delays and declinations.

ACORD 125 — General Information

Includes:

- Business description
- Ownership

- Locations
- Prior insurance
- Loss history

ACORD 126 — General Liability

Includes:

- Classification codes
- Payroll
- Subcontractor information
- Additional insured requirements

ACORD 140 — Property

Includes:

- Building details
- Contents
- Tools stored at the shop
- Security features

ACORD 25 — Certificate of Insurance

Important: A certificate **does not** grant coverage. Only endorsements do.

Georgia Note

The Georgia DOI has repeatedly emphasized that certificates **cannot modify coverage**. Producers must document all certificate requests and ensure accuracy.

5.4 Subcontractor Use — The #1 Underwriting Red Flag

Subcontractors create major exposure for artisan contractors.

Underwriters want to know:

- What percentage of work is subcontracted?
- Are subs insured?
- Are certificates collected?
- Are additional insured endorsements required?
- Are contracts used?

Why It Matters

If a subcontractor causes damage and has no insurance:

- The contractor's policy may pay
- The contractor's premiums may increase

- The contractor may face lawsuits
- The producer may face E&O exposure

Best Practice

Require subcontractors to carry:

- CGL
- Workers' Comp
- Additional insured endorsements
- Waiver of subrogation

5.5 Claims History — What Underwriters Look For

Underwriters evaluate:

Frequency

Many small claims = poor safety culture.

Severity

Large claims = high hazard operations.

Patterns

Examples:

- Multiple water damage claims → plumbing risk
- Multiple ladder falls → safety issue
- Multiple tool thefts → poor security

Georgia Note

Georgia carriers heavily weigh **frequency** when pricing artisan contractors.

5.6 Financial Stability

Underwriters may request:

- Tax returns
- Bank statements
- Credit reports
- Business plans

Why It Matters

Financially unstable contractors are more likely to:

- Cut corners
- Skip safety procedures
- Hire uninsured subcontractors
- Delay maintenance on vehicles and equipment

5.7 Compliance Requirements (Georgia-Focused)

Georgia requires:

1. Workers' Compensation

Mandatory for businesses with **3+ employees**.

2. Licensing

Required for:

- Electricians
- Plumbers
- HVAC technicians
- Conditioned air contractors

3. EPA Section 608 Certification

Required for HVAC refrigerant handling.

4. Lead-Safe Certification

Required for work on pre-1978 homes.

5. OSHA Compliance

Mandatory for all contractors.

6. Certificates of Insurance

Must be accurate and not misleading.

5.8 Case Study — Underwriting a Plumbing Firm

Scenario

A plumbing contractor applies for coverage.

Underwriter Questions

- Do they work in multi-story buildings?
- Do they subcontract work?
- Do they install water heaters?

- Do they perform gas line work?
- What is their claims history?

Findings

- 40% subcontracted work
- No certificates collected
- Two water damage claims in 3 years
- No written safety program

Outcome

- Higher premium
- Subcontractor warranty endorsement added
- Recommendation for safety improvements

5.9 Extended Case Study — Electrical Firm Underwriting

Scenario

A 6-person electrical contractor applies for coverage.

Underwriter Concerns

- Work on commercial buildings
- Work on energized systems
- High severity fire exposure
- Ladder and roof work

Findings

- Excellent safety program
- No claims in 5 years
- All employees certified
- Subcontractors fully insured

Outcome

- Preferred pricing
- Lower deductible
- Eligibility for umbrella coverage

5.10 Compliance Commentary Across States

While this course focuses on Georgia, many states share similar requirements:

- Workers' Comp thresholds
- Licensing rules
- Certificate accuracy laws

- OSHA enforcement
- Pollution regulations

Producers writing multi-state contractors must verify:

- Licensing reciprocity
- Workers' Comp rules
- Additional insured requirements
- State-specific endorsements

5.11 Exercise — Spot the Compliance Risks

Which of the following are compliance risks?

1. Contractor uses uninsured subcontractors
2. Contractor collects certificates annually
3. Contractor pays workers cash "under the table"
4. Contractor has no safety program
5. Contractor uses ACORD 25 to modify coverage

Correct answers: 1, 3, 4, 5

5.12 Summary

Underwriting artisan contractors requires:

- Accurate information
- Complete ACORD forms
- Understanding subcontractor exposure
- Reviewing claims history
- Ensuring compliance with Georgia regulations

Producers who master underwriting and compliance dramatically reduce E&O exposure and improve client outcomes.

CLICK HERE TO TEST YOUR UNDERSTANDING OF THE PREVIOUS TOPICS

MODULE 6 — CLAIMS, RISK MANAGEMENT & CASE STUDIES

Artisan contractors experience some of the most frequent and preventable claims in the entire Property & Casualty industry. This module gives producers a practical, real-world understanding of:

- The most common claims
- Why they happen
- How to prevent them
- How insurers respond
- How to coach contractors to reduce losses
- How to avoid E&O exposure when claims occur

⭐ HOW TO INSURE ARTISAN CONTRACTORS

This is one of the most valuable modules for both producers and contractors.

6.1 Common Claims Scenarios for Artisan Contractors

Artisan contractors face a predictable pattern of claims. Understanding these patterns helps producers:

- Recommend the right coverages
- Identify gaps
- Educate clients
- Reduce losses
- Protect themselves from E&O claims

Below are the most common claims by trade.

Plumbers

- Water damage from failed fittings
- Mold growth from slow leaks
- Damage to flooring, drywall, cabinets
- Sewer backup during repairs

Severity: Moderate to high **Frequency:** Very high

Electricians

- Fire from faulty wiring
- Shock injuries
- Damage to appliances or panels
- Arc flash incidents

Severity: High **Frequency:** Moderate

HVAC Technicians

- Refrigerant leaks
- Water damage from condensate lines
- Electrical fires
- Damage to roofs or attics

Severity: Moderate **Frequency:** High

Carpenters

- Saw injuries
- Nail gun accidents
- Structural errors
- Tool theft

Severity: Moderate **Frequency:** Moderate

Painters

- Overspray damage
- Ladder falls
- Chemical exposure
- Damage to vehicles or neighboring property

Severity: Low to moderate **Frequency:** High

Masons

- Falling debris
- Structural collapse
- Back injuries
- Damage to foundations

Severity: High **Frequency:** Low to moderate

6.2 Faulty Workmanship vs. Resulting Damage

This is one of the most misunderstood areas of contractor claims.

Faulty Workmanship (Not Covered)

Insurance does **not** pay to redo the contractor's bad work.

Example: A plumber installs a fitting incorrectly. The cost to replace the fitting is **not covered**.

Resulting Damage (Covered)

Insurance **does** pay for damage caused by the faulty work.

Example: The faulty fitting leaks and damages flooring. The flooring repairs **are covered**.

Why This Matters

Contractors often assume insurance covers everything. Producers must explain:

"Insurance covers the damage your mistake causes — not the mistake itself."

Document this conversation.

6.3 Claims Handling Best Practices for Contractors

Producers should coach contractors on how to handle claims professionally.

1. Report claims immediately

Delays increase:

- Damage
- Costs
- Suspicion
- Denials

2. Preserve evidence

Take photos of:

- Damage
- Tools
- Materials
- Work area
- Weather conditions

3. Communicate clearly

Contractors should:

- Avoid admitting fault
- Avoid blaming others
- Stick to facts
- Let the adjuster investigate

4. Cooperate fully

Provide:

- Invoices
- Work orders
- Subcontractor agreements
- Photos
- Statements

5. Document everything

If it’s not documented, it didn’t happen.

6.4 Risk Management Strategies That Reduce Claims

Producers can dramatically reduce contractor losses by teaching simple habits.

1. Jobsite Checklists

Daily checklists reduce:

- Falls
- Property damage
- Oversights

2. Tool Tracking

Tool theft is rampant. Solutions include:

- Engraving tools
- Locking truck boxes
- GPS trackers
- Jobsite storage protocols

3. Subcontractor Agreements

Require:

- Certificates
- Additional insured endorsements
- Hold harmless agreements

4. Vehicle Safety Programs

- MVR checks
- Distracted driving policies
- Trailer safety training

5. Ladder Safety

Most contractor injuries involve ladders.

6. Return-to-Work Programs

Reduce Workers' Comp costs and Mod factors.

6.5 Case Study — Faulty Electrical Work

Scenario

An electrician installs a breaker panel incorrectly. Six months later, a fire destroys the customer's garage.

Damage

- Structural repairs
- Smoke damage
- Electrical system replacement
- Legal fees

Total Cost: $185,000

Coverage Outcome

- Faulty workmanship → **not covered**
- Resulting fire damage → **covered**

Lesson

Completed operations coverage is essential.

6.6 Case Study — Plumbing Water Damage

Scenario

A plumber installs a fitting that slowly leaks. Over several weeks, water damages:

- Flooring
- Cabinets
- Drywall
- Baseboards

Total Cost: $42,000

Coverage Outcome

- Faulty fitting → **not covered**
- Resulting damage → **covered**

Lesson

Water damage is the #1 claim for plumbers.

6.7 Case Study — HVAC Refrigerant Spill

Scenario

An HVAC technician punctures a refrigerant line. Refrigerant leaks into a crawlspace.

Damage

- Environmental cleanup
- Air quality testing
- Soil removal
- Customer relocation

Total Cost: $18,000

Coverage Outcome

- CGL denies due to pollution exclusion
- Pollution Liability would have covered it

Lesson

Pollution Liability is essential for HVAC contractors.

6.8 Case Study — Masonry Jobsite Injury

Scenario

A mason drops a block from scaffolding. The block strikes a worker below.

Injuries

- Broken arm
- Concussion
- Lost wages

Coverage Outcome

- Workers' Comp covers the injured worker
- Employer Liability may apply if sued

Lesson

Height work increases severity dramatically.

6.9 Case Study — Painting Overspray

Scenario

A painter uses a sprayer on a windy day. Overspray lands on:

- A customer's car
- Neighboring property
- Landscaping

Total Cost: $9,200

Coverage Outcome

Covered under CGL.

Lesson

Weather conditions matter.

6.10 Insurer Responses and Denial Examples

Common Reasons for Denial

- Faulty workmanship exclusion
- Pollution exclusion
- No completed operations coverage
- Subcontractor warranty violation
- No Inland Marine coverage
- No Workers' Comp for injured worker

Producer E&O Risk

If the contractor claims:

"My agent never told me I needed that coverage."

Documentation protects the producer.

6.11 Compliance Commentary on Claims Handling

Georgia requires insurers to:

- Investigate promptly
- Communicate clearly
- Explain denials
- Pay valid claims in good faith

Contractors must cooperate fully to avoid delays.

6.12 Exercise — Build a Risk Management Plan

Which items belong in a contractor's risk management plan?

1. Ladder safety training
2. Subcontractor agreements
3. Tool tracking
4. Ignoring minor injuries
5. Daily jobsite checklists

Correct answers: 1, 2, 3, 5

6.13 Summary

Artisan contractor claims are predictable — and preventable. Producers who understand:

- Common claims
- Why they happen
- How to prevent them

- How insurers respond
- How to coach contractors

…become trusted advisors and dramatically reduce E&O exposure.

CLICK HERE TO TEST YOUR UNDERSTANDING OF THE PREVIOUS TOPICS

MODULE 7 — ETHICS IN PROPERTY & CASUALTY INSURANCE (PART 1)

Ethics is not just a regulatory requirement — it is the foundation of trust between producers, insurers, and clients. Artisan contractors rely heavily on their insurance agents to explain coverage, identify exposures, and guide them through claims. When ethical standards slip, the consequences can be severe:

- E&O claims
- DOI complaints
- Loss of license
- Financial harm to clients
- Damage to the agency's reputation

This module introduces the ethical principles that guide insurance professionals and applies them to real-world contractor scenarios.

7.1 What Do We Mean by "Ethics"?

Ethics refers to the moral principles that guide professional behavior. In insurance, ethics means:

- Doing the right thing
- Even when no one is watching
- Even when it costs time or money
- Even when the client doesn't know what to ask

Ethics is not just about avoiding wrongdoing — it's about actively protecting the client's interests.

7.2 Moral vs. Legal Obligations

Insurance professionals have **two layers of responsibility**:

1. Legal Obligations

These are required by law or regulation:

- Licensing
- CE requirements
- Disclosure rules
- Claims handling standards
- Anti-fraud laws

- Unfair trade practices laws

2. Moral Obligations

These go beyond the law:

- Recommending adequate limits
- Explaining exclusions
- Advising on coverage gaps
- Documenting conversations
- Acting in the client's best interest

Legal compliance is the floor. Ethics is the ceiling.

7.3 Professional Codes of Conduct

Most insurance organizations follow ethical codes that emphasize:

- Honesty
- Integrity
- Transparency
- Competence
- Confidentiality
- Fair dealing
- Avoiding conflicts of interest

Georgia's Code of Ethics reinforces these principles and requires producers to:

- Act in good faith
- Avoid misrepresentation
- Provide accurate information
- Maintain client confidentiality
- Disclose material facts

7.4 Public Trust: The Foundation of Insurance

Insurance is built on trust:

- Clients trust producers to recommend the right coverage
- Insurers trust producers to represent risks accurately
- Regulators trust producers to follow the law

When trust breaks down, the entire system suffers.

Example

A contractor buys a "cheap" policy without understanding exclusions. A claim occurs. Coverage is denied. The contractor blames the producer. A DOI complaint is filed.

This is how trust — and careers — are damaged.

7.5 Building an Ethical Mindset

Ethical producers consistently:

- Ask deeper questions
- Identify exposures the client didn't know they had
- Explain coverage in plain English
- Document all recommendations
- Avoid cutting corners
- Put the client's needs above their own

Ethics is not a one-time decision — it is a daily practice.

7.6 Common Ethical Dilemmas for Producers

Artisan contractor accounts create unique ethical challenges.

Dilemma 1 — The Cheapest Policy vs. Adequate Coverage

Contractor: "Just give me the cheapest policy." Producer: Knows the contractor needs more coverage.

Dilemma 2 — Subcontractor Exposure

Contractor: "My subs have insurance." Producer: Sees no certificates.

Dilemma 3 — Misclassification

Contractor: "They're all 1099 workers." Producer: Knows they are employees.

Dilemma 4 — Certificates of Insurance

Contractor: "Just add the GC as additional insured on the certificate." Producer: Knows this is illegal without an endorsement.

Dilemma 5 — Coverage Gaps

Contractor: "I don't need pollution coverage." Producer: Knows refrigerant leaks are common.

7.7 Case Study — The Cheapest Policy

Scenario

A small plumbing contractor asks for "the cheapest policy possible." The producer quotes:

- CGL
- No completed operations

- No Inland Marine
- No Workers' Comp
- No Umbrella

The contractor accepts.

Six months later

A water damage claim occurs. Completed operations is excluded. The contractor owes $38,000 out of pocket.

Outcome

The contractor files a complaint:

"My agent never told me this wasn't covered."

Ethical Lesson

Producers must:

- Explain coverage
- Explain exclusions
- Document recommendations
- Document declinations

Cheap is expensive when ethics are ignored.

7.8 Tools for Ethical Decision-Making

Ethical producers use simple tools to guide decisions:

1. The Transparency Test

"Would I be comfortable if this decision were made public?"

2. The Client Test

"Is this in the client's best interest?"

3. The Long-Term Test

"Will this decision protect the client in the long run?"

4. The Documentation Test

"Can I defend this decision if questioned by the DOI?"

7.9 Why Ethical Choices Matter

Ethical decisions:

- Protect clients
- Reduce claims
- Reduce E&O exposure
- Strengthen relationships
- Build long-term business
- Improve industry reputation

Unethical decisions:

- Harm clients
- Trigger lawsuits
- Damage careers
- Lead to regulatory action

Ethics is not optional — it is essential.

7.10 Exercise — Apply Ethical Principles

Which of the following actions are ethical?

1. Recommending higher limits even if the client wants the cheapest option
2. Adding an additional insured on a certificate without an endorsement
3. Documenting all declined coverages
4. Ignoring subcontractor exposure to avoid losing the sale

Correct answers: 1 and 3

7.11 Summary

Ethics is the foundation of professional insurance practice. Producers must:

- Act with honesty and integrity
- Explain coverage clearly
- Document all recommendations
- Avoid conflicts of interest
- Put the client's needs first

In the next module, we'll explore **Ethics Part 2**, including fiduciary duty, conflicts of interest, and real-world ethical dilemmas specific to artisan contractors.

CLICK HERE TO TEST YOUR UNDERSTANDING OF THE PREVIOUS TOPICS

MODULE 8 — ETHICS IN PROPERTY & CASUALTY INSURANCE (PART 2)

Module 7 introduced the foundations of ethical behavior in insurance. Module 8 goes deeper — into **fiduciary duty**, **conflicts of interest**, and **real-world ethical dilemmas** that producers face when working with artisan contractors.

This module is designed to help producers recognize ethical pressure points and respond with clarity, professionalism, and integrity.

8.1 Fiduciary Duty: What It Really Means

Fiduciary duty is one of the most important — and most misunderstood — ethical obligations in insurance.

A fiduciary is someone who:

- Acts in the client's best interest
- Puts the client's needs above their own
- Provides honest, complete information
- Avoids conflicts of interest
- Handles money responsibly
- Protects confidential information

In insurance, fiduciary duty includes:

- Recommending appropriate coverage
- Explaining exclusions
- Disclosing material facts
- Documenting conversations
- Handling premiums properly
- Avoiding misleading statements

Why It Matters

Artisan contractors rely heavily on their producers. They often don't understand:

- Completed operations
- Pollution exclusions
- Subcontractor exposure
- Workers' comp classification
- Inland Marine vs. Property

The producer becomes their guide — and that creates a fiduciary relationship.

8.2 Handling Premiums: Safeguarding Client Funds

Producers must handle client funds with extreme care.

Ethical Requirements

- Deposit premiums promptly

- Never commingle funds
- Never “borrow” from premium accounts
- Provide receipts
- Remit payments to carriers on time

Common Violations

- Holding premium checks too long
- Using premium funds for agency expenses
- Failing to remit payments
- Misapplying funds

Georgia Note

Misuse of premium funds is one of the **fastest ways** to lose a license.

8.3 Disclosure: Telling the Whole Truth

Ethical producers disclose:

- Coverage limitations
- Exclusions
- Deductibles
- Endorsements
- Subcontractor requirements
- Workers’ comp rules
- Additional insured requirements

Why Disclosure Matters

Clients cannot make informed decisions without full information.

Example

A contractor declines Pollution Liability. A refrigerant leak occurs. The claim is denied. The contractor says:

“My agent never told me this wasn’t covered.”

Documentation protects the producer.

8.4 Loyalty: Putting Clients First

Loyalty means:

- Recommending what the client needs
- Not what is easiest to sell
- Not what earns the highest commission
- Not what the contractor “thinks” they want

Example

A contractor wants the cheapest policy. The ethical producer explains:

- Why higher limits matter
- Why Inland Marine is essential
- Why Workers' Comp is required
- Why subcontractor exposure is dangerous

Loyalty means protecting the client — even when it's uncomfortable.

8.5 Case Example — A Georgia Agent's Breach

Scenario

A Georgia agent sells a cheap CGL policy to a small HVAC contractor. The agent does not explain:

- Pollution exclusion
- Completed operations
- Subcontractor requirements

Claim

A refrigerant leak causes $12,000 in cleanup costs. The claim is denied.

Outcome

- Contractor files a DOI complaint
- Investigation reveals poor documentation
- Agent receives a fine and mandatory ethics training

Lesson

Ethics is not optional — it is enforceable.

8.6 Conflicts of Interest in P&C Insurance

A conflict of interest occurs when a producer's personal interests interfere with their duty to the client.

Common Conflicts

- Commission-driven recommendations
- Steering clients to preferred carriers
- Accepting gifts or incentives
- Recommending unnecessary coverage
- Failing to recommend needed coverage to avoid losing the sale

Ethical Response

- Disclose potential conflicts
- Document recommendations
- Prioritize the client's needs
- Decline incentives that compromise integrity

8.7 Example 1 — Commission-Driven Recommendations

Scenario

A producer earns a higher commission with Carrier A. Carrier B offers better coverage for the contractor.

Ethical Choice

Recommend Carrier B.

Why

Fiduciary duty requires prioritizing the client's needs.

8.8 Example 2 — Steering Toward Affiliated Businesses

Scenario

A producer's spouse owns a restoration company. The producer recommends that company for all claims.

Ethical Issue

Undisclosed personal benefit.

Ethical Response

Disclose the relationship or avoid the recommendation.

8.9 Example 3 — Gifts and Incentives

Scenario

A contractor offers free services in exchange for a certificate of insurance.

Ethical Issue

Quid-pro-quo arrangements undermine trust.

Ethical Response

Decline the offer and explain why.

8.10 Case Scenarios for Learner Analysis

Scenario A

A contractor wants an additional insured added on a certificate only — no endorsement.

Ethical Response: Explain that this is illegal and misleading.

Scenario B

A contractor insists their “helpers” are 1099 workers.

Ethical Response: Explain classification rules and document the conversation.

Scenario C

A contractor declines Inland Marine coverage.

Ethical Response: Document the declination and explain the risk of tool theft.

8.11 Why Conflicts of Interest Matter

Conflicts of interest:

- Damage trust
- Lead to poor recommendations
- Increase E&O exposure
- Trigger DOI complaints
- Harm clients financially

Ethical producers avoid even the appearance of impropriety.

8.12 Exercise — Identify the Ethical Issue

Which of the following are ethical violations?

1. Recommending a policy because it pays higher commission
2. Documenting all declined coverages
3. Adding an additional insured without an endorsement
4. Accepting a contractor’s offer of free work
5. Explaining exclusions clearly

Correct answers: 1, 3, 4

8.13 Summary

Ethics Part 2 focuses on:

- Fiduciary duty
- Handling premiums
- Disclosure
- Loyalty
- Conflicts of interest
- Real-world ethical dilemmas

Producers who master these principles protect:

- Their clients
- Their agency
- Their license
- Their reputation

In the next module, we'll explore **Georgia's Unfair Claims Settlement Practices Act**, including prohibited practices, enforcement actions, and how producers can help clients navigate claims ethically.

CLICK HERE TO TEST YOUR UNDERSTANDING OF THE PREVIOUS TOPICS

MODULE 9 — GEORGIA UNFAIR CLAIMS SETTLEMENT PRACTICES ACT (UCSPA)

The Georgia Unfair Claims Settlement Practices Act (UCSPA) exists to protect consumers from unfair, deceptive, or abusive claims practices. For artisan contractors — who often rely heavily on their insurance policies after a loss — understanding UCSPA is essential.

For producers, this module is equally important. You are often the first person a contractor calls when a claim goes wrong. Knowing what insurers **must** do, **cannot** do, and **are prohibited** from doing helps you:

- Guide clients
- Prevent misunderstandings
- Avoid E&O exposure
- Recognize when a claim is mishandled
- Communicate effectively with adjusters

This module breaks down UCSPA in plain English, with real-world contractor examples.

9.1 Purpose of the Act

The UCSPA was created to:

- Ensure fair treatment of policyholders
- Prevent abusive claims practices
- Promote transparency
- Encourage timely communication
- Protect consumers from unfair denials
- Hold insurers accountable

Georgia's version aligns closely with the NAIC Model Act but includes state-specific provisions.

9.2 Why the UCSPA Was Enacted

Before UCSPA, some insurers:

- Delayed claims unnecessarily
- Ignored communications
- Denied claims without explanation
- Forced policyholders into litigation
- Used confusing or misleading language

The Act ensures that insurers handle claims **promptly, fairly, and honestly**.

9.3 Scope of the Act in Georgia

UCSPA applies to:

- All insurers licensed in Georgia
- All lines of insurance (including contractor policies)
- All claims made by Georgia residents
- All claims involving Georgia-issued policies

It does **not** apply to:

- Self-insured employers
- ERISA plans
- Federal programs

9.4 Problems the Act Addresses

UCSPA targets specific unfair practices, including:

- Misrepresentation
- Delays
- Failure to investigate
- Lowball offers
- Failure to explain denials
- Requiring unnecessary documentation
- Ignoring communications

These practices harm consumers and erode trust in the insurance system.

9.5 Georgia-Specific Provisions

Georgia Code §33-6-34 outlines prohibited practices, including:

- Misrepresenting policy provisions
- Failing to acknowledge communications

- Failing to adopt reasonable investigation standards
- Not attempting good-faith settlements
- Forcing litigation
- Delaying claims without cause
- Failing to explain denials
- Requesting duplicative proof of loss

We'll break these down in detail.

9.6 Example in Practice

Scenario

A plumbing contractor files a water damage claim. The insurer:

- Takes 3 weeks to respond
- Requests the same documents multiple times
- Refuses to explain delays
- Offers a settlement far below repair estimates

Outcome

The contractor files a complaint with the Georgia DOI. The insurer is investigated for UCSPA violations.

9.7 Role of Producers and Adjusters

Producers are not claims adjusters — but they **do** play a role in:

- Educating clients
- Setting expectations
- Identifying red flags
- Helping clients understand their rights
- Facilitating communication

Producers must avoid:

- Interfering with claims decisions
- Making promises about coverage
- Advising clients to sue
- Pressuring adjusters

Your job is to guide — not adjudicate.

9.8 Prohibited Practices Under Georgia Code §33-6-34

Below are the key prohibited practices, explained in plain English with contractor examples.

1. Misrepresentation of Policy Provisions or Facts

Insurers cannot:

- Misstate coverage
- Mislead policyholders
- Hide exclusions
- Provide false information

Example

An adjuster tells a contractor that “water damage is never covered.” This is false — resulting damage **is** covered.

2. Failure to Acknowledge Communications

Insurers must respond **promptly** to:

- Emails
- Calls
- Letters
- Claims submissions

Example

A contractor reports a claim and hears nothing for 10 days. This violates UCSPA.

3. Failure to Adopt Prompt Investigation Procedures

Insurers must:

- Investigate quickly
- Assign adjusters promptly
- Request necessary documents early

Example

An adjuster waits 3 weeks to inspect a damaged roof. Rain causes additional damage. This delay is unfair.

4. Failure to Settle in Good Faith

Insurers must attempt fair settlements when liability is clear.

Example

A contractor’s truck rear-ends another vehicle. Liability is obvious. The insurer delays payment without reason.

5. Compelling Litigation by Offering Substantially Less

Insurers cannot intentionally lowball claims to force lawsuits.

Example

A $40,000 water damage claim is offered $5,000 with no explanation.

6. Refusal to Pay Without Investigation

Insurers must investigate before denying.

Example

An adjuster denies a claim without visiting the jobsite.

7. Failure to Affirm or Deny Coverage Promptly

Insurers must clearly state:

- What is covered
- What is not covered
- Why

Example

A contractor waits weeks for a coverage decision.

8. Unreasonable Delays and Duplicative Proof

Insurers cannot:

- Request the same documents repeatedly
- Delay claims without cause
- Create unnecessary obstacles

Example

An adjuster repeatedly asks for the same invoices.

9. Failure to Explain Denials

Insurers must provide:

- A written explanation
- Policy language
- Reasoning

Example

A claim is denied with no explanation. This violates UCSPA.

9.9 The Broader Impact of Prohibited Practices

Unfair claims practices:

- Harm consumers
- Damage trust
- Increase litigation
- Raise premiums
- Trigger regulatory action

Ethical claims handling benefits everyone.

9.10 Best Practices for Compliance

Producers should encourage contractors to:

- Report claims promptly
- Keep detailed records
- Respond quickly to adjusters
- Provide complete documentation
- Avoid exaggerating losses
- Communicate professionally

Producers should:

- Document all conversations
- Avoid making coverage promises
- Direct clients to the adjuster for decisions
- Help clients understand their rights

9.11 Case Study — Failure to Settle in Good Faith

Scenario

A contractor’s truck causes a multi-vehicle accident. Liability is clear. The insurer delays payment for 45 days.

Outcome

- Injured parties file complaints
- Georgia DOI investigates
- Insurer fined for UCSPA violations

Lesson

Good-faith settlement is mandatory.

9.12 Exercise — Identify the UCSPA Violation

Which of the following are UCSPA violations?

1. Delaying a claim without explanation
2. Denying a claim without investigation
3. Explaining a denial in writing
4. Requesting the same documents repeatedly
5. Settling promptly when liability is clear

Correct answers: 1, 2, 4

9.13 Summary

The Georgia Unfair Claims Settlement Practices Act protects consumers from unfair claims handling. Producers must understand:

- What insurers can and cannot do
- How to guide clients ethically
- How to recognize red flags
- How to avoid E&O exposure

In the next module, we'll explore **Claims Handling Best Practices**, including communication, documentation, timeliness, and ethical claims behavior.

CLICK HERE TO TEST YOUR UNDERSTANDING OF THE PREVIOUS TOPICS

MODULE 10 — CLAIMS HANDLING BEST PRACTICES

Artisan contractors rely heavily on their insurance policies when something goes wrong. A single claim can determine whether a contractor:

- Stays in business
- Faces financial hardship
- Files a complaint
- Blames the producer
- Switches agencies

This module teaches producers how to guide contractors through the claims process ethically, professionally, and effectively — without overstepping into adjusting.

10.1 The Claims Process Overview

The claims process follows five major phases:

1. **First Notice of Loss (FNOL)**
2. **Investigation**
3. **Evaluation**
4. **Resolution**

5. **Closing the claim**

Understanding each phase helps producers set expectations and prevent misunderstandings.

10.2 Phase 1: First Notice of Loss (FNOL)

FNOL is the moment the contractor reports the claim.

Best Practices for Contractors

- Report immediately
- Provide accurate details
- Avoid admitting fault
- Take photos
- Protect property from further damage
- Save receipts

Producer's Role

- Help the contractor report the claim
- Explain what happens next
- Avoid making coverage promises
- Document the conversation

Common Mistake

Contractors often wait days or weeks before reporting a claim. This increases:

- Damage
- Suspicion
- Denials
- Costs

10.3 Phase 2: Investigation

The insurer investigates to determine:

- What happened
- Who is responsible
- What is covered
- What is excluded
- What the damages are

Investigation Tools

- Interviews
- Photos
- Estimates
- Expert reports

- Subcontractor agreements
- Work orders
- Invoices

Producer's Role

- Provide documents when requested
- Encourage cooperation
- Avoid influencing the investigation

Georgia Note

Insurers must investigate **promptly** under UCSPA.

10.4 Phase 3: Evaluation

The insurer evaluates:

- Coverage
- Liability
- Damages
- Policy limits
- Deductibles
- Exclusions
- Endorsements

Producer's Role

- Help the contractor understand the evaluation
- Explain deductibles
- Explain exclusions
- Avoid arguing coverage

Common Misunderstanding

Contractors often confuse:

- **Faulty workmanship** (not covered)
- **Resulting damage** (covered)

Producers must explain this distinction clearly.

10.5 Phase 4: Resolution

Resolution may include:

- Payment
- Denial
- Partial payment

- Subrogation
- Settlement negotiation

Producer's Role

- Help the contractor understand the outcome
- Explain the reasoning
- Provide documentation
- Avoid making legal recommendations

When to Escalate

If the contractor believes the claim was mishandled, the producer may:

- Request a supervisor review
- Help the contractor file a complaint
- Provide documentation
- Suggest legal counsel (without giving legal advice)

10.6 Phase 5: Closing the Claim

A claim is closed when:

- Payment is issued
- Denial is final
- No further action is required

Producer's Role

- Review the claim outcome
- Identify coverage gaps
- Recommend improvements
- Document the conversation

Opportunity for Producers

Every claim is a chance to:

- Strengthen the relationship
- Improve coverage
- Reduce future losses

10.7 Communication Best Practices

Clear communication is the most important part of claims handling.

Contractors Should:

- Respond quickly

- Provide complete information
- Avoid emotional language
- Stick to facts
- Keep records

Producers Should:

- Set expectations early
- Explain the process
- Avoid promises
- Document everything
- Stay neutral

What Producers Must Avoid

- Saying “You’re covered”
- Saying “They have to pay this”
- Saying “This will be denied”
- Pressuring adjusters
- Giving legal advice

10.8 Documentation Best Practices

Documentation protects:

- The contractor
- The insurer
- The producer

Contractors Should Document:

- Photos
- Invoices
- Work orders
- Subcontractor agreements
- Communications
- Receipts

Producers Should Document:

- All coverage recommendations
- All declined coverages
- All claims conversations
- All explanations of exclusions
- All referrals to adjusters

Georgia Note

Documentation is essential for defending against DOI complaints.

10.9 Timeliness & Efficiency

Delays increase:

- Damage
- Costs
- Frustration
- Complaints
- Litigation

Producers Should Encourage:

- Immediate reporting
- Prompt responses
- Quick submission of documents
- Regular follow-ups

Insurers Must:

- Acknowledge claims promptly
- Investigate promptly
- Communicate promptly
- Explain delays

(As required by UCSPA.)

10.10 Ethical Dimensions of Claims Handling

Ethical claims handling requires:

- Honesty
- Transparency
- Fairness
- Respect
- Professionalism

Producers Must Avoid:

- Misrepresenting coverage
- Blaming adjusters
- Making promises
- Minimizing exclusions
- Steering clients toward litigation

Ethical Producers:

- Explain the process
- Provide accurate information
- Encourage cooperation

- Document everything
- Put the client's needs first

10.11 Case Study — Adjuster Delay for Financial Targets

Scenario

A contractor files a claim for water damage. The adjuster delays the investigation to meet internal financial targets.

Outcome

- Damage worsens
- Contractor becomes frustrated
- Producer receives angry calls
- Contractor files a DOI complaint
- Insurer is investigated for UCSPA violations

Lesson

Delays harm everyone — and they are illegal under UCSPA.

10.12 Case Study — Poor Documentation

Scenario

A contractor claims tools were stolen from a truck. No photos. No receipts. No inventory list.

Outcome

- Claim is partially denied
- Contractor blames the producer
- Producer has no documentation of recommending Inland Marine

Lesson

Documentation protects the producer.

10.13 Case Study — Misunderstanding Faulty Workmanship

Scenario

A plumber installs a fitting incorrectly. It leaks and damages flooring.

Outcome

- Cost to replace fitting → not covered
- Damage to flooring → covered
- Contractor is confused

- Producer explains the distinction

Lesson

Producers must explain faulty workmanship vs. resulting damage.

10.14 Exercise — Fix the Claim

Which actions improve claims outcomes?

1. Reporting claims immediately
2. Documenting all conversations
3. Admitting fault before investigation
4. Providing photos and receipts
5. Pressuring adjusters for payment

Correct answers: 1, 2, 4

10.15 Summary

Claims handling best practices include:

- Prompt reporting
- Clear communication
- Thorough documentation
- Ethical behavior
- Understanding UCSPA
- Managing expectations
- Avoiding promises
- Supporting clients without adjusting claims

Producers who master claims handling become trusted advisors and dramatically reduce E&O exposure.

CLICK HERE TO TEST YOUR UNDERSTANDING OF THE PREVIOUS TOPICS

MODULE 11 — MARKET CONDUCT & CONSUMER PROTECTION

Market Conduct is the regulatory framework that governs **how insurance is sold, serviced, and delivered**. While most producers think of “compliance” as paperwork and licensing, Market Conduct is much broader — it covers:

- Sales practices
- Advertising
- Claims handling
- Complaint resolution
- Certificates of insurance
- Producer behavior
- Consumer protection

For artisan contractors — who often rely heavily on their agents — Market Conduct rules protect them from unfair, deceptive, or abusive practices.

For producers, understanding Market Conduct is essential to:

- Avoid DOI complaints
- Reduce E&O exposure
- Maintain trust
- Protect your license
- Serve clients ethically

This module breaks down Market Conduct in plain English with contractor-specific examples.

11.1 What Is Market Conduct?

Market Conduct refers to **how insurers and producers behave in the marketplace**. It ensures that consumers receive:

- Fair treatment
- Accurate information
- Honest advertising
- Ethical sales practices
- Proper claims handling
- Clear communication

Market Conduct rules apply to:

- Producers
- Agencies
- Adjusters
- Insurers
- Third-party administrators

11.2 The Role of the Georgia Department of Insurance (DOI)

The Georgia DOI enforces Market Conduct standards by:

- Investigating complaints
- Conducting Market Conduct exams
- Reviewing advertising
- Monitoring producer behavior
- Enforcing licensing rules
- Issuing fines and penalties
- Revoking or suspending licenses

Why This Matters for Producers

The DOI does not need proof of intent to take action. A simple mistake — even an honest one — can trigger:

- Fines
- Mandatory training
- License suspension
- Public disciplinary records

11.3 Sales Practices

Producers must follow ethical and legal standards when selling insurance.

Prohibited Sales Practices

- Misrepresentation
- Omitting material facts
- Twisting (inducing replacement through deception)
- Churning (unnecessary replacement for commission)
- High-pressure tactics
- Selling inadequate coverage
- Failing to disclose exclusions

Example — Misrepresentation

A contractor asks if tool theft is covered. Producer says “Yes,” but the contractor has no Inland Marine.

This is a Market Conduct violation.

11.4 Advertising & Marketing Rules

Advertising must be:

- Accurate
- Clear
- Not misleading
- Not deceptive

Prohibited Advertising Practices

- Guaranteeing claim outcomes
- Using terms like “full coverage”
- Implying endorsements by the DOI
- Misrepresenting policy benefits
- Using fake testimonials

Example

An agency advertises:

“We guarantee your claims will be paid.”

This is illegal.

11.5 Claims Handling (Market Conduct Perspective)

Claims handling must follow:

- UCSPA (Module 9)
- Good-faith standards
- Timeliness requirements
- Transparency rules

Producers Must Avoid:

- Interfering with claims decisions
- Making promises about coverage
- Advising clients to sue
- Pressuring adjusters

Producers Should:

- Explain the process
- Set expectations
- Document conversations
- Encourage cooperation

11.6 Complaint Resolution

Consumers have the right to:

- File complaints
- Receive timely responses
- Receive explanations
- Request DOI review

Producer Responsibilities

- Take complaints seriously
- Respond promptly
- Provide documentation
- Avoid defensive language
- Escalate when necessary

Georgia Note

The DOI tracks complaint ratios by insurer and producer.

11.7 Producer Conduct

Producers must:

- Act in good faith
- Maintain confidentiality
- Disclose conflicts of interest
- Avoid unfair discrimination
- Follow licensing rules
- Complete CE requirements
- Use accurate certificates
- Handle premiums properly

Common Violations

- Backdating documents
- Altering certificates
- Misrepresenting coverage
- Failing to disclose fees
- Selling policies without a license

11.8 Why Market Conduct Matters for Artisan Contractors

Artisan contractors rely heavily on their producers because:

- They don't understand insurance
- They trust their agent
- They need certificates quickly
- They face complex exposures
- They often work with GCs who demand compliance

Market Conduct protects them from:

- Misleading advice
- Inadequate coverage
- Certificate manipulation
- Unfair claims handling
- Hidden exclusions

11.9 Case Study — Misrepresentation in Contractor Coverage

Scenario

A contractor asks if subcontractors are covered under their CGL. The producer says "Yes," without asking:

- Are subs insured?
- Are certificates collected?
- Are additional insured endorsements required?

Claim

A subcontractor causes $60,000 in damage. The contractor's policy denies coverage due to the subcontractor warranty.

Outcome

- Contractor files a DOI complaint
- Producer is investigated
- Agency pays an E&O claim

Lesson

Never assume subcontractor coverage. Always explain the subcontractor warranty.

11.10 Georgia's Consumer Protection Framework

Georgia's consumer protection laws include:

- Unfair Trade Practices Act
- Unfair Claims Settlement Practices Act
- Advertising rules
- Rebating and inducement rules
- Licensing requirements
- Certificate accuracy laws

These laws protect consumers from:

- Deception
- Fraud
- Misrepresentation
- Unfair discrimination
- Unethical behavior

11.11 Prohibited Practices (Georgia-Specific)

1. Misrepresentation

Lying or misleading clients about coverage.

2. Twisting

Replacing a policy using deceptive tactics.

3. Churning

Replacing a policy solely to generate commission.

4. Failure to Disclose

Not explaining exclusions or limitations.

5. Unfair Discrimination

Charging different rates without actuarial justification.

6. Improper Use of Certificates

Adding endorsements on certificates without policy changes.

11.12 Market Conduct Examinations

The DOI conducts Market Conduct exams to review:

- Sales practices
- Advertising
- Claims handling
- Complaint resolution
- Producer behavior
- Certificate accuracy

Triggers for Exams

- High complaint ratios
- Suspicious patterns
- Consumer reports
- Random audits

11.13 Complaint Investigations

When a contractor files a complaint, the DOI:

1. Reviews the complaint
2. Contacts the insurer or producer
3. Requests documentation
4. Evaluates compliance
5. Issues findings

Possible Outcomes

- No action
- Warning
- Fine
- License suspension
- License revocation

11.14 Disciplinary Actions

Producers may face:

- Fines

- Restitution
- Mandatory training
- License suspension
- License revocation
- Public disciplinary records

Common Reasons

- Misrepresentation
- Certificate manipulation
- Mishandling premiums
- Unlicensed activity
- Fraud

11.15 Case Study — 2022 Enforcement Action

Scenario

A Georgia producer repeatedly issued certificates showing coverage that did not exist.

Outcome

- $5,000 fine
- License suspension
- Mandatory ethics training
- Public disciplinary record

Lesson

Certificates must reflect the policy — nothing more.

11.16 Exercise — Identify the Market Conduct Violation

Which of the following are Market Conduct violations?

1. Guaranteeing claim outcomes
2. Explaining exclusions clearly
3. Adding endorsements on certificates
4. Twisting policies for commission
5. Responding promptly to complaints

Correct answers: 1, 3, 4

11.17 Summary

Market Conduct ensures:

- Fair sales practices
- Honest advertising

- Ethical producer behavior
- Proper claims handling
- Consumer protection

Producers must:

- Follow the rules
- Document everything
- Avoid misrepresentation
- Handle complaints professionally
- Protect clients from unfair practices

In the next module, we'll bring everything together in the **Capstone & Review**, including integrated case studies, best practices, and final exam preparation.

CLICK HERE TO TEST YOUR UNDERSTANDING OF THE PREVIOUS TOPICS

MODULE 12 — CAPSTONE & REVIEW

This final module brings together everything the learner has studied throughout the course. Artisan contractors face a unique blend of risks, compliance requirements, ethical challenges, and claims exposures. This capstone module reinforces:

- Key coverage concepts
- Claims handling best practices
- Ethical decision-making
- Georgia-specific compliance rules
- Real-world contractor scenarios
- Integrated case analysis

The goal is to ensure the learner can confidently apply the material in real-world situations.

12.1 Course Recap

Below is a concise review of the major themes from Modules 1–11.

1. Regulatory Framework

Artisan contractors must comply with:

- Georgia licensing rules
- Workers' Comp requirements (3+ employees)
- EPA Section 608 (HVAC refrigerant handling)
- OSHA safety standards
- Certificate accuracy laws
- UCSPA claims handling rules

Producers must understand these requirements to avoid E&O exposure.

2. Ethics

Ethical producers:

- Act in the client's best interest
- Disclose exclusions and limitations
- Avoid conflicts of interest
- Document all recommendations
- Handle premiums properly
- Provide honest, accurate information

Ethics is not optional — it is enforceable.

3. Claims Handling

Contractors must:

- Report claims promptly
- Document everything
- Cooperate with adjusters
- Understand faulty workmanship vs. resulting damage

Producers must:

- Set expectations
- Avoid promises
- Document conversations
- Guide without adjusting

4. Personal Lines vs. Commercial Lines

Artisan contractors require **commercial** coverage, not personal lines.

Key differences include:

- Business Auto vs. Personal Auto
- Inland Marine vs. Homeowners
- CGL vs. Personal Liability
- Workers' Comp vs. Health Insurance

5. Catastrophe Risk

Contractors face elevated CAT exposure due to:

- Storm damage
- Tornadoes
- Flooding
- Fire
- Wind

Proper coverage and risk management are essential.

6. Commercial Lines

Contractors need:

- CGL
- Inland Marine
- Business Auto
- Workers' Comp
- Umbrella
- Installation Floater
- Pollution Liability
- Cyber Liability

Coverage gaps are common — and dangerous.

7. Emerging Risks

Modern contractors face new exposures:

- Cyberattacks
- Ransomware
- Payment fraud
- Data breaches
- Environmental regulations
- Subcontractor risk transfer

Producers must stay ahead of these trends.

8. Market Conduct

Producers must follow:

- Advertising rules
- Sales practice rules
- Certificate accuracy laws
- Complaint resolution standards
- Ethical conduct requirements

Violations can result in fines, suspension, or license revocation.

12.2 Integrated Case Study — Multi-Trade Contractor Firm

This capstone case study brings together all major concepts from the course.

Scenario

"Precision Trades LLC" is a 12-person contractor firm offering:

- Plumbing
- Electrical
- HVAC
- Light carpentry

They work on:

- Residential remodels
- Small commercial jobs
- Service calls
- Subcontracting for general contractors

They request a full insurance review.

Findings

1. Coverage Gaps

- No Inland Marine
- No Pollution Liability
- No Umbrella
- No Cyber Liability
- No Installation Floater
- No Workers' Comp for 3 "1099 helpers"
- No additional insured endorsements for GCs

2. Compliance Failures

- No subcontractor certificates
- No safety program
- No return-to-work plan
- No EPA 608 documentation
- No ladder safety training

3. Ethical Lapses

- Prior agent sold "cheapest policy"
- Exclusions never explained
- No documentation of declined coverages
- Certificates issued incorrectly

4. Claims History

- Two water damage claims
- One electrical fire
- Multiple tool thefts
- One employee injury (unreported)

Recommended Coverage Package

- CGL with completed operations
- Inland Marine
- Installation Floater
- Business Auto
- Workers' Comp
- Umbrella ($2M+)
- Pollution Liability
- Cyber Liability
- EPLI
- Additional insured endorsements
- Waiver of subrogation
- Primary & non-contributory wording

Risk Management Recommendations

- Daily jobsite checklists
- Subcontractor agreements
- Tool tracking system
- Ladder safety training
- Return-to-work program
- Vehicle safety program
- Documentation procedures

Ethical Best Practices

- Explain all exclusions
- Document all recommendations
- Document all declinations
- Provide written summaries
- Avoid certificate manipulation
- Disclose conflicts of interest

12.3 CE Reflection Prompts

Learners should reflect on the following:

1. What coverage gaps do you see most often with artisan contractors?
2. How can you better document your recommendations?
3. What ethical dilemmas have you encountered in contractor accounts?
4. How can you improve your claims communication process?
5. What steps can you take to reduce E&O exposure?

These prompts reinforce applied learning and ethical decision-making.

12.4 Final Exam Preparation

To prepare for the final exam, learners should review:

Key Coverage Concepts

- CGL
- Inland Marine
- Workers' Comp
- Business Auto
- Umbrella
- Pollution Liability
- Cyber Liability

Ethics

- Fiduciary duty
- Conflicts of interest
- Disclosure
- Documentation
- UCSPA
- Market Conduct rules

Georgia-Specific Requirements

- Workers' Comp threshold
- Licensing rules
- Certificate accuracy
- Claims handling standards

Claims

- Faulty workmanship vs. resulting damage
- Timeliness
- Documentation
- Communication

12.5 Summary

This capstone module ties together:

- Coverage
- Compliance
- Ethics
- Claims
- Risk management
- Real-world contractor scenarios

Learners should now be able to:

- Identify contractor exposures
- Recommend appropriate coverage
- Navigate Georgia compliance
- Apply ethical principles
- Guide clients through claims
- Reduce E&O exposure

- Communicate clearly and professionally

CLICK HERE TO TEST YOUR UNDERSTANDING OF THE PREVIOUS TOPICS

That's It! You finished the course!

When you finish enjoying the ebook and feel ready to take the Final Exam, click the following link: https://www.classmarker.com/online-test/start/?quiz=g3q6941712e19970

You must correctly answer at least 70% of the multiple-choice questions to earn 12-hours CE (includes 3 hours Ethics).

Then "Mix & Match" any of the other 12-hours CE courses to complete your biennial CE requirements.