

# PROJECT SPECIFIC INSURANCE PROCEDURES MANUAL



# SWINERTON

FOR THE

## SAMPLE MANUAL

Presented By:  
Swinerton Builders  
and  
Arthur J. Gallagher & Co.  
Insurance Brokers of California, Inc.



## Gallagher

Insurance | Risk Management | Consulting

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## Introduction

Swinerton Builders sponsors a Wrap Up Insurance program ('PSI') for this project providing General Liability, Excess Liability and Workers Compensation for all eligible and enrolled parties of every tier.

For an outline of the coverages provided by the PSI program and other insurance requirements, please refer to your Work Order Insurance Addendum. Please provide a copy of the Work Order Insurance Addendum to all of your sub tier subcontractors for their information.

If your work is contracted under a short form agreement, please refer to the contract for the relevant terms and conditions.

Please note that the coverages provided by the PSI program are designated to cover you only while you are actively engaged in construction activities at the ----- site. Therefore it is imperative that you maintain your own insurance coverage for off-site operations.

Subcontractors of any tier shall require their respective vendors, suppliers, off-site fabricators, material dealers, truckers, drivers and others, who merely transport, pick-up, deliver or carry materials, personnel, parts or equipment to or from the project site to maintain insurance in the form and with the limits as specified in the Work Order Insurance Addendum.

This manual is only for informational purposes regarding the administrative procedures required for this program. You are contractually required to adhere to these procedures in the Work Order Insurance Addendum. This manual is not a contract document.

Participation in the PSI program is mandatory but not automatic. Each Eligible Contractor must follow the enrollment procedures as outlined in this manual.

## Program Eligibility

All qualified subcontractors of any tier whose employees perform actual on-site labor are required to participate in the PSI Program and follow through with the online enrollment process and participant responsibilities as noted throughout this Manual.

### Coverage Trigger

Coverage will begin the date you begin work at the site and is contingent on completing the online enrollment through the Arthur J. Gallagher Contractor Portal (see separate on-line instructions). Once your enrollment has been completed you will receive a Certificate of Insurance confirming the coverage from Arthur J. Gallagher (AJG). It is your responsibility to complete and upload all enrollment materials before you begin work on the project. Failure to supply all requested insurance documents will result in a flat 3.25% charge against your entire contract amount. You are also responsible for ensuring that any lower tier subcontractors you hire are also enrolled online before they begin their work at the project site. If you or your lower tier subcontractors have not completed the online enrollment and received confirmation of enrollment from Arthur J. Gallagher, no coverage will be afforded.

Payroll must be submitted online every month via the Arthur J. Gallagher Wrap-Up Contractor Portal by the 5<sup>th</sup> of every month for the preceding month's work. The 3.25% charge against contract value will be assessed if payroll is not submitted on time.

### Ineligible Parties

Subcontractors who present an exceptionally hazardous exposure or risk to the job site may not be eligible to participate, at Swinerton's discretion. It is your responsibility to contact Arthur J. Gallagher (AJG) and confirm your eligibility before you begin work on the project.

Not everyone will be a participant. For example, the following are ineligible for the program. Subcontractors of any tier that are:

- Vendors, Suppliers, Surveyors, Consultants, Architects/Engineers, Guard Services, Material dealers, Hazardous Abatement Contractors, Off-site fabricators with no on-site installation, Others who merely transport, pick up, deliver or carry materials, personnel, parts or equipment or any other items or persons to or from the project site, and Temporary labor services that would traditionally supply you with temporary labor (where workers' compensation coverage is provided for those employees by the temporary agency). This situation needs to be reviewed on an individual basis.

If you are uncertain whether your firm will be a participant in this program, or wish confirmation of your eligibility, please contact the AJG Administrator listed in the Personnel Directory.

Swinerton will coordinate the program at the project site. Arthur J. Gallagher will be administering the program from their offices. A complete contact list is in the back of this Manual.

## PSI Enrollment Responsibilities Flow Chart

		Action Item	Responsibility
1	<input type="checkbox"/>	Distribute PSI Manual to prospective bidders or subcontractors.	Swinerton
2	<input type="checkbox"/>	Send the Work Order Insurance Addendum, and PSI Manual to your Insurance Agent/Broker for assistance, if necessary, in completing the PSI Online Enrollment Process.	Subcontractor
3	<input type="checkbox"/>	Distribute the Work Order Insurance Addendum and PSI Manual to prospective lower tier bidders/subcontractors.	Subcontractor
4	<input type="checkbox"/>	Complete the Online Enrollment process through the Arthur J. Gallagher Wrap Up Contractor Portal prior to any on-site work and ensure all lower tier subcontractors complete the Online Enrollment process prior to any on-site work.	Subcontractor
5	<input type="checkbox"/>	Send Insurance Certificate to Swinerton in accordance with the Work Order Insurance Addendum.	Subcontractor
6	<input type="checkbox"/>	Ensure that Monthly Payroll is submitted through the Arthur J. Gallagher Wrap Up Contractor Portal online for you and your lower tier subcontractors. Failure to comply will result in a 3.25% charge against your contract value.	Subcontractor
7	<input type="checkbox"/>	Confirm all site subcontractors' and/or lower-tier subcontractor(s) enrollment in PSI program.	AJG
8	<input type="checkbox"/>	Certificate of Insurance and policy copies issued to PSI participant.	AJG
9	<input type="checkbox"/>	Advise your Insurance Agent/Broker of insurance coverages provided by PSI so that proper notice can be made to your current insurers.	Subcontractor Lower-tier subcontractor

## PSI Enrollment Instructions

Every PSI participant must complete the Online Enrollment process through the AJG Wrap Up Contractor Portal at <https://ajg.vuewrapup.com/contractorportal>.

Enrollment instructions are attached separately and also available online: <http://www.swinerton.com/subcontractors/contractor-controlled-insurance-programs>

Please contact ----- at ----- if you have any questions regarding the completion of the online enrollment. Please keep in mind that the PSI coverage includes:

- Worker's Compensation coverage including Employers' Liability Limits of \$1,000,000/\$1,000,000/\$1,000,000.
- General Liability limits of \$2,000,000/\$4,000,000/\$4,000,000 for all insureds combined, with the limits specific to the ----- Project.
- Excess limits of \$25,000,000 for all insureds combined, with such limits specific to the ----- Project, for premises operations and \$25,000,000 for completed operations.
- Ten years completed operations tail with project specific limits.

Please keep in mind the following:

- Each of your lower-tier subcontractors must complete the Online Enrollment PRIOR to starting work on-site;
- The PSI does NOT INCLUDE automobile coverage (including trucks and licensed equipment) or tools and equipment;
- The PSI provides Workers' Compensation only for employees working at the ----- Project. Your yard or plant workers, off-site clerical staff, drivers who only deliver or pick up at the project, and management or supervisory personnel who are not dedicated to the project are NOT COVERED by the PSI. Labor provided through labor service companies should be discussed with AJG to determine eligibility.
- The PSI provides General Liability only for operations at the ----- Project. Operations of each subcontractor of any tier at other locations are NOT COVERED by the PSI.
- Your workers compensation insurance charge will be calculated based on estimated payroll provided at the time of enrollment and used for the calculation of your PSI premiums. It will be verified against final payroll, which may result in additional premiums charged to you

- Your general liability insurance charge will be based on a \$2,000,000 each occurrence limit, so you may need to include a portion of your excess liability coverage to meet this requirement. If you do not have Excess liability policy, please contact AJG to confirm.
- If your current insurance program contains a deductible or SIR, you will need to include a deductible premium as it applies to the payroll or revenue on this project. If you do not supply this information, a 3.25% rate against contract value will apply.

Each PSI Participant will need to review and acknowledge the following Enrollment Disclosures as part of their online signature:

As noted in this Manual, Swinerton will purchase Worker's Compensation, Employers' Liability, General Liability and Excess Coverages for the benefit of participating subcontractors. In exchange for this benefit, the undersigned agrees as follows:

- The submitted information accurately reflects the total projected insurance costs (for bidder and all subcontractors) that would apply if my regular insurance program were to provide coverage for this work.
- I agree that Swinerton will apply the above insurance charges on a quarterly basis, based on subcontractor's normal cost of insurance. This charge will be taken from a submitted pay application. If necessary, Swinerton will require payroll and labor-hour reports for the undersigned and their subcontractors to calculate and process an accurate insurance deduct. This includes the insurance charges for the Prime subcontractors lower tier subcontractors. The Prime is responsible for passing the charges to their lower tier subcontractors.
- Any and all returns of premium, dividends, discounts, or other adjustments to any WRAP-UP policy is assigned, transferred and set over absolutely to Swinerton Builders. This assignment pertains to the policies as now written and as subsequently modified, rewritten or replaced including any additional amounts or coverages as a result thereof. Rights of cancellation of all insurance policies provided to Subcontractors of any tier by Swinerton Builders are also assigned to them. This assignment is only valid for Insurance policies whose premiums have been paid by Swinerton Builders on behalf of such Subcontractors of any tier.
- Subcontractor enrolled in the WRAP-UP policy will be responsible for its proportionate share of the insurance deductibles of up to \$1,000 per loss time injury occurrence for Workers' Compensation and \$1,000-\$25,000 per occurrence for General Liability, if determined the subcontractor is liable for the associated claim.
- Insurance coverage under the WRAP-UP is contingent on a properly completed online Enrollment with information that is accurately represented by the subcontractor(s). Arthur J. Gallagher will provide each enrolled subcontractor with written confirmation of coverage

## Insurance Charge Worksheets

The online enrollment must be completed before any on-site work can begin. Subcontractor and all sub-tier subcontractors must submit the following:

- Worker Compensation Insurance Policy Declarations Page and Rate Page
- General Liability Insurance Policy Declarations Page and Rating Page
- Excess Liability Insurance Policy Declarations Page and Rating Page
- Deductible or Retention pages

An initial estimated insurance charge worksheet will be calculated based on estimated payroll and contract value for informational purposes but will not be processed.

**INSURANCE COST WORKSHEETS when Insurance Costs are included in bid/contract:**

Insurance charges will be deducted from your pay application on a quarterly basis by the use of a quarterly charge worksheet calculated by Arthur J. Gallagher as a cost of the work. This charge will be based on payroll reported online on a monthly basis and contract values to date using the subcontractor's verified rates for General Liability, Workers Compensation and Excess Liability. Copies of the charge worksheets will be provided to you as they are issued. Deductions for lower tier subcontractors will be made through the prime subcontractor's contract with Swinerton. It will be the prime subcontractor's responsibility to pass these deductions to their lower tier subcontractors. If you have any questions, please contact your AJG Administrator.

**QUARTERLY CHARGE SCHEDULE**

MONTH	PAYROLL
March	November – January
June	February – April
September	May – July
December	August - October

**PAYROLL REPORTING:**

Payroll must be submitted on-line on a monthly basis by the 5<sup>th</sup> of every month in order to calculate these quarterly charges. A final charge worksheet will be calculated upon completion of your work based on final submitted payrolls and contract amount.

Payroll may be subject to further review and audit if final payroll reported falls below a certain threshold against your final contract value.



### NON-COMPLIANCE:

If Subcontractor fails to submit their insurance documents as noted above, does not report payroll, or enroll their sub-tiers prior to their work onsite, a 3.25% charge against their contract value will be assessed per the Work Order Insurance Addendum until you are in compliance. Any revisions to a quarterly charge worksheet will be done at the next quarterly billing. Revisions due to non-compliance will not be processed after your contract has been closed.

### RATES:

The rates used in a Subcontractor's charge worksheet will be the rates in effect at the time of their bid and verified with the insurance policy rate and declarations pages. The rates used in the Subcontractor's charge worksheet will not be adjusted upwards or downwards as their insurance renews during the course of their contract unless their bid/contract value adjusts accordingly.

If your umbrella/excess coverage is flat rated (non-auditable premium), we will use 10% of your General Liability rate to calculate your insurance charge for this coverage.

If your General Liability policy premium has a large deductible credit, the credit will be removed if a loss rate letter is not provided on a Broker/Agent letterhead or email. A Large deductible is considered anything above **\$100,000** or above.

If your Workers Compensation policy premium has a Large Risk Rating Option (LRRO) credit, you will need to provide an email or letter from your Broker on their company letterhead confirming that your policy does not contain a deductible or your policy deductible does not exceed \$100,000 per occurrence. If you have a deductible over \$100,000, please provide a loss rate along with backup documentation in order for the LRRO credit to apply.

### LOWER TIER

It is your responsibility to ensure your lower-tiers are in compliance with the requirements of the PSI Manual. Your lower-tier subcontractors must also enroll on-line and submit their requested information when notice is provided to them.

## Accident Reporting and Claims Procedures

### WORKERS' COMPENSATION CLAIMS

1. The injured employee's foreman/superintendent shall see that first-aid/formal medical treatment is administered promptly, and accompany the injured employee to the medical facility. Complete a mandatory (green) "Authorization for Medical Treatment" form, and provide to the medical facility staff upon check-in. Accounts have been established with the designated medical facilities for this CCIP project (facilities specializing in occupational medicine are used whenever possible), and must be used (HI and TX are exception states). *SAMPLES* of the Injury Handling and Reporting Instructions, and Authorization for Medical Treatment forms will be provided in your Claim Kit upon completion of enrollment: The original "green" forms are stored in the Swinerton jobsite office/trailer; request them there when an injury occurs.
2. Injuries must be reported to Zurich within 24 hours of occurrence, and may be reported by phone, fax, or online (see Zurich's claim reporting information in your Claim Kit, which is sent electronically to your company's Primary contact person). Each enrolled subcontractor is solely responsible for reporting their employee's injuries to Zurich.
3. Subcontractors must complete an Incident/Accident Report form for each employee injury, and provide Swinerton with a copy of the completed document. If your company does not have a standard Incident/Accident Report form, you may request a form from the Swinerton project office/trailer.
4. With the exception of the specific work comp insurance policy being utilized for the injuries which occur on this project, the handling of injuries for this project is no different than any other work comp injury, including the mandatory reporting of all recordable injuries on your company's OSHA 300 Log, the assessment of any OSHA fines and/or penalties, and the inclusion of all injuries in your company's loss data for Ex- Mod/EMR calculation (be sure to inform your broker of any injuries which occur on this project). Each Subcontractor is responsible for managing their injuries on the project, and notifying the Claim Adjuster of any change in the employee's work status. Any questions, or information regarding an injury should be directed to the Zurich Claim Adjuster handling the injury. If the adjuster's information is needed, please contact Work Comp Advocate Laurelle Jones at Arthur J. Gallagher for assistance (contact information for Laurelle is available in the Personnel Directory in this manual).

## GENERAL LIABILITY CLAIMS

1. If an injury is involved, the Subcontractor's superintendent must immediately arrange for first aid or other required medical treatment for the injured party.
2. All Incidents, regardless of severity, shall be reported immediately to the Job Site Contact and On-site Safety Coordinator and reported to Swinerton Risk Management.
3. The Subcontractor's superintendent must complete a General Liability Loss Notice for each accident and file with the Swinerton Job Site Office.
4. Swinerton team will immediately forward to Swinerton Risk Management for handling.
5. **Any Court Summons, legal documents or other correspondence must be immediately referred to Swinerton Risk Management Department and Swinerton Legal Department by registered mail.** Additional questions concerning suit papers should be referred to Swinerton Risk Management Department.



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**SUBCONTRACTOR INCIDENT REPORT FORM**

<b>Today's Date:</b>	<b>Incident Type:</b> Injury to Third Party <input type="checkbox"/> Property Damage <input type="checkbox"/>
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<b>Subcontractor Claim Contact Name:</b>		
Title:	Phone:	E-Mail:

<b>Incident Narrative:</b>
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<b>Date of Incident:</b>	<b>Time of Incident:</b>
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<b>Photos Available?</b> YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>Photos Retained By:</b>
Title: Phone: E-Mail:

<b>Police Report Taken?</b> YES <input type="checkbox"/> NO <input type="checkbox"/>
<input type="checkbox"/> Officer's Name: Badge Number:
Police Report Number: Jurisdiction:

<b>Names of Potentially Involved Subcontractors:</b>
------------------------------------------------------

<b>Were there Witnesses?</b>		
Witness #1:	Phone:	E-Mail:
Witness #2:	Phone:	E-Mail:
Witness #3:	Phone:	E-Mail:

<b>Injured Person:</b>	Address:
Phone:	
Nature of Injury:	

<b>Owner of Damaged Property:</b>	Address:
Phone:	
Description of Damaged Property:	

Signature of Person Completing Form: \_\_\_\_\_

Company: \_\_\_\_\_

## Definitions For Purposes Of This Manual

<b>General Contractor:</b>	Swinerton Builders
<b>Project:</b>	----- <b>ADDRESS</b>
<b>Site:</b>	The areas designated in writing by Swinerton Builders in a contract document for performance of the Work and such additional areas as may be designated in writing by Swinerton Builders for Contractor's use in performance of the Work. The Project Site shall also include (1) field offices, (2) property used for bonded storage of material for the Project approved by Swinerton Builders, (3) staging areas dedicated to the Project. <b>Items 1 through 3 must be approved by the CCIP Insurer and listed in the CCIP Policy</b>
<b>Off-Site Exposures:</b>	Offices, shops, warehouses, factories, or similar locations away from the designated project site that have not been approved by the CCIP Insurer and listed on the CCIP Policy <b><u>ARE NOT COVERED.</u></b>
<b>Contract:</b>	The agreement between <u>Swinerton Builders and the Subcontractor</u> . The terms "Contract" and "Agreement" are used interchangeably.
<b>Subcontractor of Any Tier:</b>	The person, firm or corporation with whom <b>Swinerton</b> has entered into Agreement to perform the Work. Or the Person or entity who has a contract <b>with</b> a Swinerton Subcontractor to perform any of the Work at the Site.
<b>Work:</b>	Operations, as fully described in the Contract, performed at or emanating directly from the ----- <b>Project.</b>
<b>Insured:</b>	Subcontractors of any tier which have an executed subcontract agreement and which have received written confirmation of coverage by Arthur J. Gallagher. <b>The following are not insureds under this WRAP-UP-</b> Vendors, suppliers, material dealers, off-site fabricators and others who merely transport, pick up, deliver or carry materials, personnel, parts or equipment or any other items or persons to or from the Project Site, et al.
<b>Insurers:</b>	<ul style="list-style-type: none"><li>- Workers' Compensation and Employer's Liability: <b>Zurich American Insurance (ZURICH)</b></li><li>- Commercial General Liability Insurance: <b>Zurich American Insurance (ZURICH)</b></li><li>Excess Liability Insurance: <b>Berkshire Hathaway</b> <b>Swiss Re</b></li></ul>

**Personnel Directory**

**PROJECT MANAGER:** -----  
-----@swinerton.com

**PROJECT ADMINISTRATOR:** -----  
-----@swinerton.com

**PSI SAFETY DIRECTOR:** **Greg Tate**  
Swinerton Incorporated 2300 Clayton Road  
(415) 940-3364  
(925) 825-0848 fax

**RISK MANAGEMENT:**

<b>John Capener</b> Swinerton Incorporated 2300 Clayton Road Concord, CA 94520 (925) 602-6418	<b>Michelle Luster</b> Swinerton Incorporated 2300 Clayton Road Concord, CA 94520 (925) 602-6417
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**Insurance Broker & Contact  
ENROLLMENT/ADMINISTRATION:** -----  
Arthur J. Gallagher  
1160 Battery Street, 3<sup>rd</sup> Floor  
San Francisco, CA 94111  
(415) 288 -1634 direct line  
(877) 972-7871 toll free  
Suzette\_Cole@ajg.com

**WORKERS' COMPENSATION CLAIMS:** **Laurelle Jones**  
Arthur J. Gallagher  
(415) 288-1612 direct line  
(415) 391-2616 fax

**GENERAL LIABILITY CLAIMS:** **Louise Sakotani**  
Swinerton Incorporated  
2300 Clayton Road, Suite 800  
Concord, CA 94520  
(925) 602-6401  
lsakotani@swinerton.com

**ZURICH CLAIM CONTACT:** **Claims Service Center**  
(877) 928-4531