

# General Commercial Liability Insurance

Electrical inspectors are generally familiar with the requirements for the electrical inspector bond and the professional liability insurance (errors and omissions insurance) both of which are offered to IAEI members at group rates.

However, the state of Minnesota also requires "general commercial liability insurance" for all contracts offered after July 1, 2006.

Contract electrical inspectors are required to comply with all of the insurance requirements.

The following link to "Commercial General Liability Insurance In a Nutshell" does a good job of explaining the need for every business to have commercial general liability insurance:

[http://www.mumby.com/memos/dc\\_commercial\\_general\\_liability\\_insurance\\_in\\_a\\_nutshell.php](http://www.mumby.com/memos/dc_commercial_general_liability_insurance_in_a_nutshell.php)

Despite the high premium costs quoted in the article, the commercial general liability insurance is readily available at substantially lower premiums (<\$400 per year) from many insurance companies, especially if the business insurance is discounted for having multiple policies with the same insurance company (home, car, etc.).

For your information, the requirement for contract electrical inspector's commercial general liability insurance is as follows:

"The CONTRACTOR must provide commercial general liability insurance with limits of at least \$1,000,000 per occurrence, \$2,000,000 annual aggregate, \$2,000,000 annual aggregate completed products/operations.

The following coverage shall be included:

- Premises and operations bodily injury and property damage
- Personal and advertising injury
- Blanket contractual liability
- Products and completed operations liability
- The State of Minnesota shall be named as "additional insured"

Please do not contact the Minnesota Chapter IAEI for insurance advice. Please consult with your insurance agent.