



VALUABLE INFORMATION

Independent Contractors

An independent contractor is someone contracted to do work according to his own methods, without being subject to control of the association except for the result of the work.

Examples of independent contractors include snow and ice removal crews, swimming pool contractors, elevator maintenance companies, janitorial services, and security services.

Two critically important processes should be followed when using an independent contractor:

- Every time an independent contractor is hired, a valid Certificate of Insurance must be furnished indicating adequate limits of liability. "Adequate limits" will vary depending upon the project. Limits should be consistent with the probability of loss and amount at risk.
- The written contract should include a Hold Harmless Agreement, with indemnification and defense clauses in favor of the association. The association's counsel and USI should review the contract to ensure that it is properly worded.

Mitigation of Claims

A claim can be settled inexpensively and defended successfully if the injured party feels he has been treated with concern and fairness.

Community associations owe it to their members to obtain appropriate insurance for their specific situations.

When someone is injured—

- Express concern for the safety and welfare of all occupants and visitors. Do not make any promises.
- Avoid expressing a position on liability.
- Offer as much assistance as possible and make sure the person receives proper first aid treatment.
- Reassure the person that someone will contact him to discuss the accident.
- Make certain the claim is properly reported.
- Follow-up with the injured person to ensure the matter is receiving proper attention.

In the event of property loss—

- Take necessary steps to protect the property from further damage.
- Separate damaged and undamaged property.
- Make sure your claim is properly recorded and promptly contact your insurance carrier. See the enclosed information on How to Report Claims.
- If needed, contact a qualified cleaning or emergency contractor and proceed immediately with necessary repairs.