

## STATEMENT FROM STUART S. ZISHOLTZ

Accidents happen every day on construction projects. This article will address what to do when and if an accident occurs on a construction project.

Almost all construction contracts contain a clause addressing insurance. The purpose of insurance is to protect the various parties who are insured in the event someone gets hurt on the project. Most of the time, a subcontractor is required to name the general contractor, owner, architect and surety as an additional insured under its insurance policy. The employer should have Workers' Compensation insurance in order to protect his/her employees. However, Workers' Compensation may not prevent a lawsuit from being filed by the employee against the General Contractor and owner for injuries.

When an individual is hurt on a project, a report should be written up and the insurance company notified immediately. The courts have stated that the term "immediately" is defined as reasonable period of time which is usually 30 days. The insurance company is entitled to conduct an investigation. Thus, the sooner you notify the insurance company, the faster an investigation can be conducted and the more likely the scene of the accident will be similar to the way it appeared at the time of the accident.

The courts have held that notifying the insurance company of the accident four months after a contractor learned of the incident does not comply with the requirements of notifying the insurance company as soon as practical. As such, the notice was deemed a late notice and the insurance company had the right to disclaim coverage.

It is essential, therefore, that upon learning of the accident, you arrange for your insurance carrier to be notified of the accident. The insurance company does not include your insurance broker. if you notify your insurance broker make sure he receives a confirmation that the insurance carrier was notified.

Never let your lien time run out!

For a free copy of a pamphlet pertaining to mechanic's lien and payment bond claims, kindly contact me or the Association.