

# Insurance Physical: worth the check up!

By [Melissa Dewey Brumback](#)

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Recently I was contacted by a blog reader-- let's call him Mark-- who suggested that I write a post on reviewing insurance policies. "Mark" shared a personal story in which, even though he had incorporated his business, he was sued personally under a "piercing the corporate veil" theory. Essentially, the plaintiff was trying to get at his personal assets. After reporting the claim to his insurance agent, he discovered he may not have had sufficient insurance coverage. He did not have a D&O policy, which can provide protection for a corporation's directors and officers.

Contrary to insurance being just another item to scratch off your list, take some time to review your insurance policies and see if you have the coverage you think you have, and if there are other coverages which you might need but have not yet obtained. In addition to D&O policies, there are E&O (errors & omissions) policies for design professionals, CGL (commercial general liability) policies, builders' risk policies, workers' compensation policies, and umbrella policies, to name a few. The language and endorsements in your particular policy are important, and it is worth taking time (perhaps annually) for an overall insurance-health checkup.

You should make sure that your insurance agent knows your business and the possible risks. An insurance agent that specializes in your type of business is your best bet to ensure that you obtain and maintain full coverage. In addition, it is a good idea to have your policies [reviewed by your construction attorney](#), so you can learn exactly what is—and what is not—covered.

Next week (on Wednesday), we will have a guest post on how indemnity language in your contracts can limit (or eliminate) your insurance coverage. Stay tuned.

*In the meantime, questions or comments about insurance for construction and design professionals? Drop me a line at [mbrumback@rl-law.com](mailto:mbrumback@rl-law.com).*

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