Insurance Glossary

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Plain-English definitions for common contractor insurance terms.

Additional Insured

Plain-English meaning: Another party, usually customer/contractor/owner, is added to receive certain protection under your policy.

Why TDC cares: Common requirement before entering jobsites.

Typical action: Ask broker to add certificate holder as additional insured where available.

Waiver of Subrogation

Plain-English meaning: Your insurer agrees not to seek recovery from the customer/contractor after paying a covered claim.

Why TDC cares: Contractors want to prevent your insurer from coming back against them.

Typical action: Confirm policy endorsement and cost with broker.

Primary and Non-Contributory

Plain-English meaning: Your policy responds first and does not require the customer's insurance to contribute first.

Why TDC cares: Large contractors use this to keep claims off their own insurance where possible.

Typical action: Broker must confirm endorsement wording.

Occurrence Limit

Plain-English meaning: Maximum paid for one claim/event.

Why TDC cares: Contractors compare this to their required per-occurrence limit.

Typical action: Check exact amount on COI.

Aggregate Limit

Plain-English meaning: Maximum paid during the policy period for covered claims.

Why TDC cares: A $1M occurrence policy may have a $2M aggregate cap.

Typical action: Monitor aggregate erosion after claims.

Combined Single Limit (CSL)

Plain-English meaning: One auto liability limit shared for bodily injury and property damage.

Why TDC cares: Common auto policy limit format.

Typical action: Usually shown as $1M CSL or $2M CSL.

Deductible

Plain-English meaning: Amount TDC pays before insurance responds.

Why TDC cares: Affects cash exposure after a claim.

Typical action: Track by policy, especially equipment and cyber.

Self-Insured Retention (SIR)

Plain-English meaning: Amount TDC must pay/handle before insurer has duty to pay, often more serious than deductible.

Why TDC cares: Can create administrative and cash-flow burden.

Typical action: Avoid surprises on E&O/cyber/umbrella policies.

Contractual Liability

Plain-English meaning: Coverage for certain liabilities assumed in a contract.

Why TDC cares: Construction contracts often include broad indemnity clauses.

Typical action: Do not assume every indemnity obligation is insured.

Completed Operations

Plain-English meaning: Coverage for liability arising after work is completed.

Why TDC cares: Relevant when deliverables or completed site work are later challenged.

Typical action: Confirm CGL includes completed operations.

Professional Liability / E&O

Plain-English meaning: Coverage for financial loss caused by alleged professional mistakes.

Why TDC cares: Relevant for mapping, measurements, volumes, reports, processing, and advice.

Typical action: Consider quote; avoid using licensed survey language publicly.

Inland Marine

Plain-English meaning: Property coverage for equipment that moves around.

Why TDC cares: Drones, payloads, sensors, cameras, and laptops are mobile assets.

Typical action: Maintain current equipment schedule.

Certificate Holder

Plain-English meaning: Entity named on the COI to receive proof of insurance.

Why TDC cares: Does not automatically make them additional insured.

Typical action: Use exact legal name/address from customer.

Endorsement

Plain-English meaning: Policy amendment that changes coverage or adds required wording.

Why TDC cares: COIs sometimes reference endorsements; actual policy controls.

Typical action: Ask broker for endorsement confirmation if needed.

Umbrella / Excess

Plain-English meaning: Extra limit above underlying policies.

Why TDC cares: Often requested in large contracts; not always necessary for small work.

Typical action: Track frequency of requests and ROI.

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