



Project Loss Insurance

BRINGING PEACE OF MIND TO THE CONSTRUCTION BUSINESS

Construction projects carry a large amount of risk, even for the very best contractors. A sizeable loss on a project can lead to business impairment or worse: complete failure. Business failure means the loss of business assets and oftentimes personal assets as well.

Travelers Project Loss Insurance (PLI) is designed to mitigate the risk of a catastrophic project loss, helping contractors emerge from a loss rather than succumb to it.

What it covers

PLI offers contractors the ability to manage the risk of loss severity associated with things like:

- Bad estimates
- Poor production
- Subcontractor failure/default
- Delay damages
- Price escalations
- Manufacturer/supplier failure
- And more ...

PLI will also provide interim payments for an anticipated covered project loss during the life of the project. Additionally, through the underwriting process, PLI can help contractors improve financial reporting and internal controls to better prevent (and control) catastrophic losses and improve overall operations.

PLI was created as a risk-sharing solution for contractors to further protect their assets and ultimately help them build a better business for the long term.

DID YOU KNOW?

A review of Travelers construction surety claims showed:*

58% of companies failed due to one catastrophic project

49% failed due to weak internal cost systems



At Travelers, we're in the business of helping contractors succeed.

The strength of Travelers

In business more than 160 years, Travelers is a component of the Dow Jones Industrial Average and an industry leader in insurance. We consistently receive high ratings for financial strength and claims-paying ability from independent rating services, including A.M. Best, Moody's and Standard & Poor's. Our financial strength allows us to provide a long-term commitment to support business needs:

- One of the largest writers of surety bonds in North America.
- Combined treasury listing in excess of \$2.6 billion – the largest in the surety industry.
- A.M. Best** rating of A++ (Superior) for Travelers Insurance Company of Canada.

To learn more about this product, please contact your broker or visit travelerscanada.ca/PLI.

If you are a broker and would like to hear more about this product, please send an inquiry to: PLI@travelers.com.

*Information based on an internal review of Travelers' largest construction surety claims over the past 10 years. In many cases, multiple factors were identified as contributing to the failure of the construction company.

**As the Canadian arm of The Travelers Companies, Inc., we are part of an industry-leading organization that demonstrates consistent financial strength. For a listing of companies rated by A.M. Best and other rating services, visit travelers.com. Ratings listed herein are as of February 11, 2021, are used with permission, and are subject to changes by the rating services. For the latest rating, access ambest.com.

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