



SUBCONTRACTOR INSURANCE MANAGEMENT



THE PROBLEM

An Oil & Gas Contractor had grown to over \$100M in revenue with a poor subcontractor insurance compliance process. There was not an insurance expert reviewing whether the subcontractor insurance certificate was in compliance with the client's contract; and whether or not it complied with the Master Service Agreement (MSA). This represented two very troubling risks: 1) Our client was likely breaching the MSA as it required subcontractors to make sure all subcontractors were in compliance with MSA; and 2) Should a large loss occur, our client was playing Russian roulette as to whether their subcontractors had the right coverage and additional insured endorsement in place.



THE SOLUTION

Box deployed our proprietary three-part solution: 1) We renovated the insurance section of the subcontract to maximize subcontractor insurance coverage to automatically require compliance with the MSA. 2) We designed a Sample Certificate of Insurance that matched the renovated insurance section of the contract. 3) We deployed and implemented our simple, easy to use certificate of insurance review process.



THE RESULT

Two years after we implemented our solutions, our client was sued for over \$10 million regarding an incident that happened on a jobsite and the work was performed by their subcontractor. Our above mentioned solution worked perfectly and the subcontractor's insurance company had to provide complete defense; and our client was provided defense and was out zero dollars. Furthermore, our client was in compliance with the MSA and avoided breach of contract.