

PRODUCTS-COMPLETED OPERATIONS (“PCO”) CHEAT SHEET

WHAT IS IT?

PCO hazard defined as: all bodily injury and property damage occurring away from premises you own or rent and arising out of your product or your work. It does not apply to bodily injury or property damage to work not yet completed or abandoned.

Work is completed or abandoned at earliest of the following:

- All work called for in your contract is completed.
- All work to be done at a job site is completed, if working at more than one job site.
- When work is put to its intended use by someone other than another contractor.

Warranty Work is Completed Work:

Work that needs service, maintenance, correction, repair, or replacement is considered completed.

WHERE IS IT RELEVANT?

The PCO hazard is used in three key places:

- Exclusions: Some exclusions only apply to PCO or are exempted if loss occurs during PCO period – see exclusions j and l.
- Limits: PCO gets a separate aggregate limit.
- Additional Insured endorsements: Ongoing and Completed operations coverage for AIs has been split into two endorsements for many years.

PCO HAZARD VS. PCO EXTENSION

PCO Hazard included in every ISO CGL Policy – definition applying to some exclusions, limits, and AIEs.

PCO extension is an “add-on” that extends the policy period – usually only for wraps or project specific coverage.

WANT MORE LIKE THIS?

This resource was inspired by **Season 1, Episode 13: Death by a Thousand Endorsements** of *Scandals: Insurance Uncovered* - the podcast that unravels insurance mysteries with grit, wit, and no bullsh*t.

Follow along on social media or email us at ScandalsInsPod@gmail.com

