

Vinings/Association Insurance Company (BIG)

Exclusions and Limitations



Builder Protection Plan Risk Management Partnership Agreement

(ATTACH TO THE ACORD GENERAL INFORMATION APPLICATION – ACORD 125)

In consideration for Builders Insurance Group, Inc., Association Services, Inc., Association Insurance Company, Vinings Insurance Company and Builders Insurance (A Mutual Captive Company) referred to as "Builders Insurance Group" permitting the undersigned Builder to participate in the Company's Builder Protection Plan, Builder hereby represents that Builder will use its best efforts to comply with the following conditions during the Policy period of any General Liability Policy ("Policy") issued by Company to Builder.

1. Builder agrees to obtain, from each independent contractor (subcontractor), a written agreement:
 - indemnifying and holding Builder harmless for Bodily Injury or Property Damage sustained by a third person, arising out of the work of that independent contractor (subcontractor); (See sample subcontractor agreement);
 - indemnifying and holding Builder harmless from liability arising from injuries to that independent contractor and/or its employees; (See sample subcontractor agreement) and
 - waiving all rights against Builder and Builder's agents and employees; and the owner of the property for which services are performed, if a separate entity from Builder, with exception of mechanic's or materials lien. (See sample subcontractor agreement)

2. Builder agrees to obtain from each type of independent contractor(subcontractor) listed in paragraph 6 below Certificates of Insurance evidencing the following coverage and minimum limits of liability from the "Insured" independent contractors. ("Insured" independent contractors are those contractors classified as insured in the ACORD application utilized to underwrite and develop the premium for a Policy issued by the Company).

General Liability coverage with an insurance carrier rated A- or better by A. M. Best with limits equal to or exceeding limits to be provided under this Policy but not less than:

\$ 500,000	Each occurrence
\$ 1,000,000	General Aggregate
\$ 1,000,000	Products/Completed Operations Aggregate

3. For the period during which services are performed on Builder's behalf, Builder must be named as an additional insured on each independent contractor's general liability policy and Builder agrees to verify that each such independent contractor has:
 - Worker's Compensation coverage as required by the jurisdiction in which services are performed; and
 - Automobile Liability coverage-\$ 500,000 each accident.
 - Professional Liability coverage for architects, engineers and other professional vendors - \$500,000 each claim, covering each independent contractor providing professional services to Builder.

4. With the sale of any dwelling unit during the Policy period, Builder agrees to provide a "structural home warranty" having a term of not less than ten (10) years and issued by a warranty company approved by the Company. The currently approved warranty companies are:

2-10 Warranty
Quality Builders Warranty Corporation
Professional Warranty Service Corporation
Bonded Builders

Revised: July 2006

Builders Insurance Group

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This is only a summary of insurance coverage's and does not constitute a policy, contract or legal evidence of insurance. For complete policy terms, conditions, limitations and exclusions refer to the policy.

Initials _____ Date _____

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The builder is enrolled with the following warranty company: _____

5. In consideration of Builder's participation in the **Builder Protection Plan**, the Company reduced its rates for its General Liability Policy. Any home sold by Builder during the Policy period without a structural warranty is subject to a \$50,000 self insured retention. The terms of the self insured retention are outlined in an endorsement that is attached to all policies that are part of the **Builder Protection Plan**.
6. The conditions outlined in paragraph 2 of this **Risk Management Partnership Agreement** are applicable to the following types of subcontractors and independent contractors:
 - ✓ Framers
 - ✓ Roofers
 - ✓ Concrete/Foundation/Piers
 - ✓ HVAC
 - ✓ Plumbing
 - ✓ Electrical
 - ✓ Drywall
 - ✓ Carpentry - Interior and Exterior including the installation of doors and windows
 - ✓ Masonry
 - ✓ Insulation
 - ✓ Excavating
7. Builder will use commercially reasonable efforts to include the following provision in Builder's sales agreement:

"In the event of a conflict between the provisions of Builder's sales agreement and the provisions of the "Structural Home Warranty, the provisions of the "Structural Home Warranty" will control."
8. Builder will use commercially reasonable efforts to implement job site safety practices outlined in the Job Site Safety Requirements, provided to Builder.
9. Builder shall comply with any builder's right-to-repair laws that may be applicable in the jurisdiction where the property is located. Compliance includes required notices in each sales agreement and conformity to timelines in accordance with right-to-repair statutes.

This **Risk Management Partnership Agreement** forms part of the application to participate in the Company's **Builder Protection Plan**. Builder acknowledges compliance with the above conditions, including providing a "structural home warranty" on 100% of the residential dwelling units sold by Builder during the Policy period. The builder acknowledges that they have been advised of the \$50,000 SIR for homes without a structural warranty. Compliance with the above terms is a material condition of the insurance offered by the Company. Failure to comply with the requirements may result in additional premium charge.

SIGNING OF THIS RISK MANAGEMENT PARTNERSHIP AGREEMENT DOES NOT BIND THE COMPANY TO ISSUE A POLICY OF INSURANCE, BUT THE BUILDER'S REPRESENTATIONS FORM A MATERIAL BASIS OF A CONTRACT SHOULD A POLICY BE ISSUED.

Signature of Builder: _____

SIGN HERE

Print Name: _____

Title: _____

Date: _____

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- **Prior Completed Operations Exclusion:** This insurance does not apply to “property damage” arising out of “your work” completed prior to the first date of coverage with Vinings Insurance Company. This is applied in limited circumstances; please discuss with your agent to confirm if applicable to your policy.
- **Faulty, Defective or Poor Workmanship Exclusion:** This insurance does not apply to a claim arising out of faulty, defective or poor workmanship in “your work”.
- **Land or Soil Movement Exclusion:** This insurance does not apply to any claim caused by any land or soil movement including sinkhole.
- **Limited Fungi or Bacteria Liability:** This insurance includes coverage for Fungi or Bacteria. However it does provide up \$2,500 per Occurrence and Annual Aggregate, with a \$2,000 per Occurrence deductible for some property damage.
- **Self Insured Retention \$50,000 Each Occurrence:** This insurance includes a \$50,000 self insured retention on all claims involving dwellings not covered by a (10) year home warranty if a 25% premium credit was applied to this policy with the agreement that each dwelling would be covered by an approved (10) year home warranty.
- **Designated Professional Services Exclusion:** This insurance excludes professional liability from Contractors, Real Estate Agents and/or Brokers, Architects, Engineers or Surveyors.
- **Movement of Buildings or Structures Exclusion:** This insurance does not cover liability arising out of movement of any building or structure by an auto or mobile equipment.
- **Designated Work Exclusion:** This insured excludes the following:
 1. Liability arising out of the use of exterior insulation and finish system (EFIS).
 2. Liability arising from condominium or community apartment projects.
 3. Liability arising structures exceeding (3) stories.
- **Employment Related Practices Exclusion:** This insurance excludes all liability arising out of employment related claims.
- **Silica or Silica-Related Dust Exclusion:** This insurance excludes coverage for claims arising out of the use of Silica or Silica-Related Dust.
- **Construction Management Errors and Omissions Exclusion:** This insurance excludes coverage for preparing, approving, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications by an architect, engineer or surveyor performing services on a project on which you serve as construction manager.

For copies of the actual endorsements:

1. Go to www.roeins.com and select “CONSTRUCTION INFO”;
2. Then look under the General Liability heading for “Builders Insurance Group Endorsements”.

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