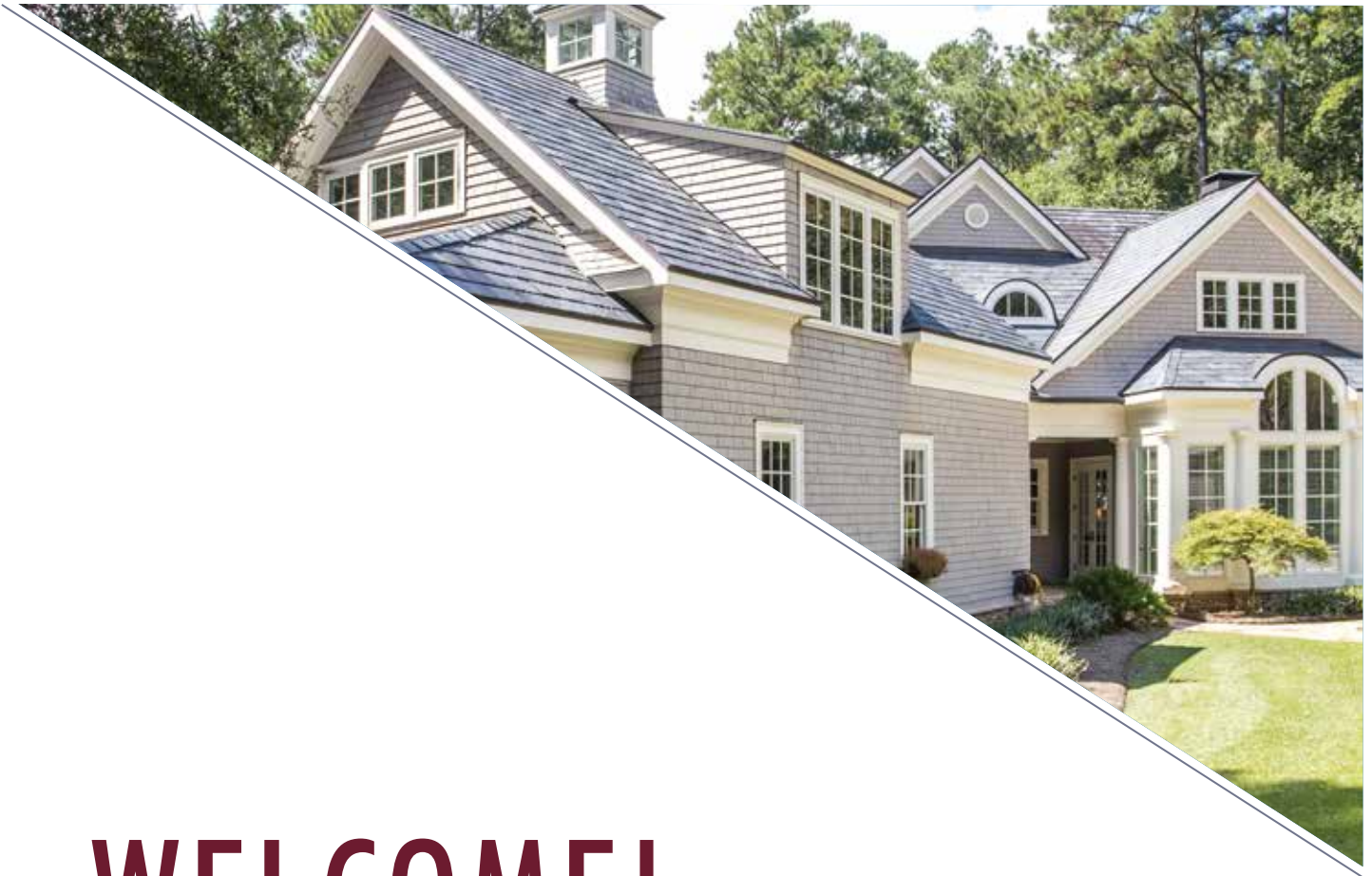


BUSINESS SOLUTIONS

For The Successful Builder, Remodeler, and Manufacturer
in New Jersey



RESIDENTIAL WARRANTY COMPANY, LLC



WELCOME!

Residential Warranty Company, LLC is a leading provider of written, insured warranties to builders and remodelers nationwide. Since 1981, RWC has issued over 4 million warranties and is considered an expert in the field of risk management. For decades, we have developed a wide range of products and services to meet various industry needs.

Thank you for taking the time to investigate the Business Solutions brought to you by RWC & Affiliates. We know that maintaining a level of success is an ongoing challenge. That's why we put together this guide to show you how we can be of service. Inside you will find descriptions of various programs and services which can aid you in maintaining or improving your customer service, define and limit your liability, and provide the warranty and insurance products your company needs.

Take a few moments and peruse the following pages. Then contact us for more information on the programs mentioned. We wish you the best of luck in all your future endeavors.

NEW HOME WARRANTIES



10 Year Major Structural Defect Full Coverage Warranty

Knowing that one single warranty format may not fit every Builder's needs, RWC provides you with options – our "Menu of Choices." Historically, the standard ten year Major Structural Defect (MSD) warranty is what this industry has provided and is the coverage Builders have become accustomed to. Ten year warranties have been an effective way to deal with a variety of issues including customer service, marketing, and mandated new home legislation.

- The "traditional" warranty offered by RWC since 1981.
- Approved for use in New Jersey.*
- Clearly written set of warranty standards to spell out coverage.
- 1 Year of Coverage on Workmanship & Materials.
- 2 Years of Coverage on Selected Portions of Mechanical Systems.
- 10 Years of Coverage on Major Structural Components.
- Option with Day One 10 Year Structural Coverage provided by RWC's Insurer is also available.
- Effective dispute resolution system.
- Builder liability is limited to 2 years.

**For builders constructing homes in other states in addition to New Jersey. Contact us for your warranty program options.*

REMODELER WARRANTY



In today's market, your customer's sense of security is critical. Homeowners want to be sure the work being done to their home is by a quality contractor. The RWC Remodeler's Warranty sets you apart from your competition and provides the much needed security customers crave. RWC offers two warranty options to better fit the nature and scope of each project.

- > **Option A:** 3 years of coverage for defects in workmanship & materials
- > **Option B:** 1 year of coverage for defects in workmanship & materials PLUS 5 years of coverage for defects to Designated Structural Elements

Why use RWC's Remodeler Warranty?

- Remodelers who offer the RWC Warranty provide their clients with written insurance-backed protection.
- Provides a process to resolve disputes about the quality of the work.
- Having a written warranty effectively reduces misunderstandings resulting from a verbal agreement and a handshake.
- The Remodeler's liability is limited to the 1st year only.
- RWC Remodeling coverage applies exclusively to the work performed by the Remodeler.
- Effective dispute resolution system includes free mediation and binding arbitration if needed.

MANUFACTURER WARRANTIES



New home ownership is the great American Dream. Building Systems housing is helping make that dream come true especially because of its affordability and advancements in construction techniques and designs. One of the changes seen over the last several years is the awareness of and increased need for written warranties on homes of all types, including Building Systems. Warranties have become an essential ingredient in any new home Purchase. Consider adding a ten-year Manufacturers warranty from RWC for an extra measure of security for you and your buyers.

The options RWC offers to Manufacturers of systems-built housing and their Builder networks have all been tailored specifically to meet the unique needs of the industry.

- 10 Year MSD Full Coverage Warranty.
- 10 Year MSD Structural Only Warranty.
- 5 Year MSD Structural Only Warranty for Additions.
- 10 Year MSD Full Coverage Commercial Warranty.
- 10 Year MSD Structural Only Commercial Warranty.
- Manufacturer's liability is limited to 1 Year.
- Available to modular, log, and panelized Manufacturers.
- Coverage applies exclusively to the work provided by the Manufacturer.
- Work supplied by the Builder on site, including foundations, is excluded.
- Separate program available to Builders at a discounted rate to protect work they supply.
- Effective dispute resolution system includes free mediation and, if needed, binding arbitration.

SPECIALTY WARRANTIES



Builders often incorporate “specialty” types of construction in order to create new revenue streams, keep employees busy and “wait out” any periodic down turn. RWC offers warranties for builders working on commercial projects or even building detached garages.

> 5 Year Commercial Warranty

- 1 Year of Coverage on Workmanship & Materials.
- 2 Years of Coverage on Selected Portions of Mechanical Systems.
- 5 Years of Coverage on Major Structural Components.
- Fees are based on square footage, type of construction and usage.

> Conversion Warranty

(For residential projects being converted from commercial buildings)

- **Option A:**
 - 2 Years of Coverage on Workmanship & Materials.
- **Option B:**
 - 1 Year of Coverage on Workmanship & Materials.
 - 5 Years of Coverage on Major Structural Components.

> 5 Year Detached Garage Warranty

- 5 Years of Coverage on Designated Structural Elements.
- Includes specific and measurable standards to evaluate structural defects.

WARRANTY EXPRESS



Warranty Express allows Builders to enroll homes online. With the click of a button, Builders can submit their enrollments, print out closing documents and even pay for the warranty fees. Builders save both time and money spent on manual form preparation and postage. Marketing materials and enrollment reports may be ordered online. Warranty Express also enables Builders to renew their membership online.

INCENTIVE PROGRAM



RWC has issued warranties on over 4 million homes throughout the United States since its inception in 1981. Providing highly competitive rates and innovative programs has been an RWC hallmark of service ever since. In keeping with our history as “The Innovative Leader,” our exclusive Incentive program was unveiled in 1986.

Qualifying Members effectively reduce their overall warranty costs by maintaining a high level of quality construction and customer service. Members receive cash distributions based on their good warranty claims experience.

Enrollment Requirements

- Enroll 20 homes or more annually, or
- Enroll \$2 million in sales volume annually

-SAVE on Registration Fees.

-Incentive distributions reduce Members’ overall warranty expense.

-Over \$24 Million in distributions paid out to Incentive Members to date.

GENERAL LIABILITY INSURANCE



Through the RWC Insurance Advantage (RIA), RWC Members (and Members in affiliated programs) have access to various lines of commercial insurance including General Liability, Builder’s Risk, Contractor’s Equipment, and more. Because the RIA program is offered exclusively to our Builder members, we are able to avoid the high risks associated with other commercial operations. Thus, we keep the cost of claims low and pass the savings on to you.

- Total risk management for Builders when combined with an RWC (or Affiliate) structural warranty.
- Flexibility of limits.
- Options to meet your specific needs.
- Program is underwritten by insurance carriers rated at least “A- (Excellent)” by A.M. Best.
- Competitive pricing.
- Streamlined underwriting.
- No monthly reporting.
- Free quote available from 866-454-2155.

EXTENDED WARRANTIES



Key Estates Warranty (and Platinum Advantage) are other RWC affiliated programs which were created to offer a line of economically-priced warranty products for appliances and mechanical systems on both new and used homes. Two distinct programs exist:

› Key Estates Warranty - For Existing Homes/Real Estate Professionals

The Key Estates Warranty is offered through *Real Estate Professionals* and is an extended warranty for certified appliances and mechanical systems for resale homes. Before certifying warranty coverage on appliances or systems, Key Estates Warranty Professionals review photos/videos of the items to be covered. We're looking for potential trouble spots and searching for recalls that could be helpful to know. Unique to Key Estates Warranty is the opportunity to include economically-priced coverage on true major structural components of an existing home in addition to the traditional appliances and systems coverage. A structural inspection performed by a licensed professional engineer is required. More components are covered as "standard" than most of our competitors' products. Together, these components make Key Estates Warranty excellent coverage for any prospective homebuyer.

- Important to Note: Key Estates allows the homeowner to choose their own repair provider.
- Term Options: 1 or 2 year warranty terms
- Coverage: Select from different combinations of appliances, mechanical systems, major structural components and structural inspection options. See the Key Estates Certified Warranty Coverage book for complete details. If the Structural Coverage is selected, then the Structural Inspection must also be selected.
- Revenue: Real Estate Professionals may earn risk-free income by offering a Key Estates Warranty on their listings.

› Key Estates Warranty - For New Homes/Builders

Key Estates is also offered through *Builders* and is an extended warranty for appliances and mechanical systems for new site built homes. Coverage is flexible and homeowners can use the repair provider of their choice to perform service work if needed. If offered in conjunction with an RWC structural warranty, homeowners will receive the most comprehensive warranty package on the market.

- Term Options: 2, 3 or 5 year warranty terms
- Service Fee Options: \$25, \$50 or \$100 per trade call
- Coverage: Most major home appliances and mechanical systems are covered. See Terms and Conditions for complete details.
- For HUD-Code Homes, the program is offered under the name Platinum Advantage/USHP. Contact us for more info.

COMPANY CONTACT INFORMATION



> New Construction Warranties

Residential Warranty Company, LLC

Address: 5300 Derry Street
Harrisburg, PA 17111
Toll Free: 800-247-1812
Fax: 717-561-4494
Website: www.rwcwarranty.com
E-Mail: sales@rwcwarranty.com

> Extended Warranties

Key Estates Warranty

Address: 5300 Derry Street
Harrisburg, PA 17111
Toll Free: 866-394-5135
Fax: 717-561-4494
Website: www.KeyEstatesWarranty.com
E-Mail: sales@KeyEstatesWarranty.com

USHP, LLC

Address: 5300 Derry Street
Harrisburg, PA 17111
Toll Free: 866-394-5135
Fax: 717-561-4494
E-Mail: sales@rwcwarranty.com

> Affiliates

RWC Insurance Advantage

Address: 5300 Derry Street
Harrisburg, PA 17111
Toll Free: 866-454-2155
Fax: 717-561-1794
Website: www.rwcinsuranceadvantage.com
E-Mail: sales@rwcinsuranceadvantage.com

ABOUT US



More Than 4 Million Homes Warranted!

In February 1981, Residential Warranty Company, LLC (RWC) embarked on a journey that would ultimately reach millions in the new home warranty industry. Spanning more than 4 decades, over 4 million homes have been warranted under the third-party insured, structural warranty provided by Residential Warranty Company, LLC and its Affiliates (HOME of Texas and MHWC) since inception.

Our mission is to provide a level of security to homeowners and Builders alike. Being able to provide a variety of services to our customers is the result of much hard work and due diligence along the way. Over the years, RWC has expanded and offered an ever-increasing array of products and services to both homeowners and the home building industry. RWC has established itself as a rock solid leader in providing home protection. When you become part of one of the companies in the RWC “Family”, you benefit from decades of leadership and experience that is unrivaled in the warranty industry.

RWC is a leading provider of third party insured warranties throughout the United States. Builders looking for options in coverage, for reliable warranty protection, and for assistance in dealing with complex customer service issues choose RWC and its Menu of Choices. For more information, please call 800-247-1812 ext. 2188, visit the website at www.rwcwarranty.com, or email sales@rwcwarranty.com.

WPMIC Maintains Over Two Decades of Successive “Excellent” Ratings

Since 2001, Western Pacific Mutual Insurance Company, a Risk Retention Group (WPMIC) has maintained an A.M. Best rating of “A- (Excellent)”. WPMIC is the insurer for new home warranties provided by RWC & MHWC and for general liability insurance provided to home builders through the RWC Insurance Advantage (RIA) program.

A.M. Best is a full-service credit rating organization dedicated to serving the financial services industries, focusing on the insurance sector. The “Excellent” rating is ascribed by A.M. Best to companies that, in their opinion, “have an excellent ability to meet ongoing obligations.”

WPMIC has successfully maintained its “A- (Excellent)” rating by A.M. Best based on its performance to date. The rating reflects the risk retention group’s sound capitalization, historically favorable operating performance, positive cash flow position, and conservative reserve levels. Additionally, the rating recognizes WPMIC’s history of maintaining sufficient capital to support its ongoing obligations and the effective management of its long term exposure to loss.

NOTES



