

RESIDENTIAL

For Members of Residential Warranty Company, LLC

Spring 2018

Recap

BRANDED

Yee-Hawww! This exuberant exclamation may conjure up images of cowboys in the old west rounding up steers to be branded. Branding cattle guarded against rustling and allowed multiple ranch owners to graze their livestock together on open ranges and easily separate them at “roundup” time. And while free-range grazing isn’t common today, animal branding is still in use and is legally considered *prima facie* evidence or proof of ownership.

Animal identification has taken on many forms in recent times and not all of them imply ownership. For example, feral cats often are part of capture and release programs in an effort to control their population. Prior to release, one ear is clipped to make them easily identifiable so they’re not captured a second time. Greyhound racing dogs bear inner ear tattoos that reflect the year, month and order of their birth to facilitate identification of the winners and to track their racing performance history. In modern day agriculture, farmers are turning to ear tagging to identify their livestock

and, in wildlife management circles, GPS equipped radio collars track wild and endangered species movements.

But, branding is not only applicable to the animal kingdom; that same term has quite a different meaning that has made it a critical component of the business world. Instead of separating herds, branding is a business tool that helps you separate your products and services from industry peers. It helps you to highlight your uniqueness and capitalize on your good reputation. What branding is not is simply slapping a logo on the side of your truck.

Continued on page 2

Examine Yourself.

*...Your BRAND is
your promise to your
customer...*



RWC Celebrates 30 Years Exhibiting at the International Builders' Show

By Suzanne Palkovic, VP of Sales

Once a year, the entire building industry focuses its collective NAHB **IBS**™ sights on innovation, education, and networking at a one-of-a-kind event, the annual International Builders’ Show (IBS). This year’s show was in Orlando, FL and is always sponsored by the National Association of Home Builders. For the 3 days of the show, building industry professionals from across the globe discovered a variety of products and innovative concepts that are sure to enhance their businesses moving forward.

Continued on page 3

IN THIS ISSUE

Upcoming Events.....	2
Free Warranty Seminars.....	3
The Bull Market is Becoming a Real Bear.....	4
WPMIC Annual Meeting	4
Home Maintenance Quiz	5
2017 Sales Awards.....	6
Ask the Enrollments Department	7
Free Marketing Materials.....	7
Stay Secure	7
RWC Insurance Advantage Launches	
New Website	8
Contact List	9
Additional Insured	10
Number Crunch.....	11
Where Can I Find the Answer?.....	11
Customized State Warranties.....	12

Branded

Continued from front cover

John Williams in an entrepreneur.com article states “simply put, your brand is your promise to your customer. Your brand is derived from who you are, who you want to be and who people perceive you to be.” It’s that perception that makes people willing to pay more for brand name products than generic products. But, remember to build on what makes your company stand out from the crowd. No company will succeed with their branding if they try to be everything to everybody. Identify your target market and tailor your brand to their needs. Be specific and don’t speak in generalities:

- Are you a green builder? There’s a market niche for you.
- Do you support and purchase from local businesses? One hand washes the other.
- Are your homes “wired” for today’s electronic world? Millennials are listening.
- Does your customer service continue after the sale? Word of mouth referrals are the best.

You get the point.

The Harvard Business Review asserts that 64% of consumers cite shared values as the primary reason they have a relationship with a brand and the Lucidpress states that the average revenue increase that can be attributed to consistently presenting a brand is 23%. That’s huge! So once you’ve decided on your brand strategy, don’t forget to make sure that your internet presence is optimized. Customers need to be able to find you through a variety of search terms so google yourself and see where you stand. And, of course, remember you have to spend money to make money. Typically businesses spend around 10% of their revenue on marketing.

Now that you know the basics start building...not only your homes but your brand. And, remember to include the RWC warranty as one of your building blocks. Your commitment to backing your products and services with a written warranty certainly puts you ahead of the pack. Before you know it, you’ll be shouting YEE-HAWWW as your efforts and investment in branding lead you to greener pastures.

Visit Our Booth At These Upcoming Shows



East Coast Builders Conference
Nashville, TN • Booth 207
June 11-13, 2018



PCBC
San Francisco, CA
June 27-28, 2018



Sunbelt Builders Show
Dallas, TX • Booth 904
August 8-9, 2018



SEBC
Orlando, FL • Booth 731
August 16-17, 2018



21st Century Expo
Charlotte, NC
September 11-13, 2018



GHBA Product Expo
Houston, TX • Booth 98
October 18, 2018



International Builder's Show
Las Vegas, NV
February 19-21, 2019

We encourage you to stop by our booth and take full advantage of RWC's many programs and services. Let's chat and find out what other benefits we can add to your toolbox. As a leader in the industry, we have new home warranties nailed!

BOOST YOUR BUYERS' CONFIDENCE EXTENDED WARRANTIES* on a variety of Appliances & Systems

ENHANCE YOUR IMAGE • INCREASE YOUR REVENUE
REDUCE NAGGING CUSTOMER SERVICE CALLS

- Variety of plans and service fees available to meet any buyer's budget. Choose from **2, 3 or 5 year plans for new homes.**
- Perfect match to compliment the RWC structural warranty for new homes.
- NO additional membership fees required to use this program.
- Administered by USHP, LLC.

**PLATINUM
ADVANTAGE**

1.866.394.5135
or email sales@rwcwarranty.com

*Check for availability in your area

RWC Celebrates 30 Years Exhibiting at the International Builders' Show

Continued from front cover

IBS welcomed more than 85,000 attendees, as part of Design and Construction Week. Of that total, about 60,000 were IBS registrants. The exhibits span 583,000 square feet with over 1500 vendors on hand to show off their value to the industry. IBS offers over 150 educational seminars covering a myriad of topics.

For the 30th straight year, RWC, HOME, and MHWC have exhibited at IBS, taking part in the educational effort to explain the advantages and benefits of our insured warranty programs to builders and remodelers. Drawn in by our now famous “Wheel-O-Warranty” prizes, over 600 builders eagerly learned what an RWC, HOME or MHWC warranty could do for them, from marketing to customer service, to effective risk management and more.

Our group of 13 representatives certainly met many new builders but just as important, they reconnected with many old friends who have been loyal RWC members for years and even decades! All took a spin at the wheel, hoping to literally cash in and walk away with a crisp \$50 bill! In all, 47 cash prizes were handed out but everyone walked away a winner with some type of prize: duffel bags, mini lanterns, spiral sticky notepads and the brightest mini-flashlights this writer has ever seen were among the hot ticket items. We are fairly certain the flashlights and lanterns could be used to signal alien life in outer space.

But of course, it's never all work and no play for this group. Many of our little group also took advantage of the special events put on by NAHB including the House Party at Mango's and the Spike Concert featuring the ever-young band, Chicago! Seriously, is there any better brass section out there? Additionally, we took advantage of our time together as a group to conduct a sales meeting covering a wide variety of topics, improvements to our programs and internal upgrades to our systems.

Overall, the IBS show is an invaluable forum for us but also for the industry. Where else under one roof could you hope to see and learn about such a wide variety of building industry topics?



Account executives from all facets of the warranty company are represented in the booth. Left to right: Tifanee McCall (MHWC), Diana Gomez (HOME of Texas), and Staci Cool (RWC).



Eagerly awaiting the outcome of the spinning prize wheel!

**The International Builders' Show
moves back to Las Vegas,
February 19-21, 2019. We'll be there!**

Free Warranty Training Seminars

Are you a brand new Member? Or maybe you've been a Member for a while but think a refresher would be helpful? RWC will come to your office and conduct an in-depth training seminar for FREE for your sales people, service technicians, administrative personnel, etc. Let us give you an overview of all the services and programs we offer to make sure you are taking full advantage of everything included with your membership. Contact your Account Executive or our Sales Dept. to schedule a seminar: 800-247-1812, Ext. 2149 or email sales@rwcwarranty.com.

The Bull Market is Becoming a Real Bear

By: Staci Cool, RWC Account Executive

“Limited inventory”. “Rising interest rates”. “Barbell of imbalance”. Many homebuyers, and real estate professionals alike, are finding themselves challenged by the law of scarcity in today’s market. Simply put, there are more buyers than there are homes to fill. Anyone in the home building and buying world is intimately aware of the impact presented to us with this unique situation. There are several factors creating this imbalance.

First time homebuyers who are starting families and move down buyers who are looking to downsize have put a strain on the inventory availability. The need for each group is similar, the wants may differ, but the need can be met with access to more inventory of affordable homes. With the average sales price of homes increasing exponentially, the opportunities for these buyers is continually diminished. Add in the threat that homes will now cost more because of rising interest rates, and a crisis is created. Interest rates are not currently creating a deferral impact upon buying trends, however, as the prices continue to rise, it prices many families out of the market entirely.

What does this all mean? To put it bluntly, the market needs more homes for the fixed income and average income buyers. Meeting these buyers needs starts with price point and includes flexible options. Fixed income buyers who are downsizing tend to



...homebuying needs and demands are at the crossroads between availability and affordability. Somewhere in the middle is exactly where builders should strive to be to reap the rewards.

fall into the group of sellers that are cashing in on the equity increases on their current homes. They may be retiring or reducing their work load, pushing them toward fixed income levels. However, first time homebuyers have a different hurdle. These apartment and rental home buyers need better programs in place to help them get out of the rental trap. With the increased need for rentals came the increased cost of renting. Many of the options available for renters taps out their income which reduces the chances that they can save money for a down payment. A good rental history shows they can afford the home, but they don’t have the income set aside for a 20%

down payment. Does your company offer incentives to first time homebuyers? What can your trusted lenders do to help them?

Although it is a challenge for the buyers, it is a positive for sellers and builders who are looking to gain a profit after a long stretch of being at a standstill. This opportunity for growth for builders is understandably a cautious undertaking. Willingness to work with these buyers can be rewarding to builders but it is wise to take precautions to avoid the pitfalls of the past. Ensuring that you work with other professionals who are licensed properly and that you are providing a high quality, warranted homes will set you as a builder apart from the crowd. Many lenders are now requesting that a 10-year structural warranty is in place when the buyer is using FHA/VA and USDA financing. As a member in good standing with RWC, you are in position to meet this requirement and can meet the buyers lending needs.

In conclusion, homebuying needs and demands are at the crossroads between availability and affordability. Somewhere in the middle is exactly where builders should strive to be to reap the rewards. As a tradeoff, qualified buyers are willing to settle for higher interest rates if given the opportunity to achieve the long-term goal of homeownership. Scarcity is real, but buyers are abundant.



WPMIC ANNUAL MEETING

Monday, June 4, 2018 ▶ 8:15 a.m.

Meeting held at:

Residential Warranty Company, LLC
5300 Derry Street, Harrisburg, PA 17111

Home Maintenance Quiz - Test Your Knowledge

(Quiz provided by NAHB.org)

A home is one of the biggest investments a person will ever make and in order to keep that home glowing and increasing in value, a well maintained property should be the goal for years to come. Of course a warranty will provide protection, but seasonal maintenance by the homeowner is also key to long lasting digs. As a professional in the industry, you've seen first-hand what irresponsibility will do to a residence. It's imperative to remind your buyers that even though a home may be brand spanking new, regular maintenance is absolutely necessary to ensure safety, comfort, and retain resale value.



It's easy to preach to a homebuyer about keeping up with seasonal tasks and send them on their merry way, but why not arm them with a comprehensive list of things they should be aware of? Steer them toward RWC's "season maintenance checklist" at www.rwcwarranty.com/homeowners/#checklists. This is a great tool for homeowners to stay on top of things. Furthermore, you as the builder, must have gathered hundreds of maintenance tips during your career. Offer up those tips and hints as you meet with your clients throughout the home building journey.

Just for fun, here is a home maintenance quiz that will test **your** know-how. While this quiz does not address every conventional home maintenance project, it does provide helpful tips that may have been overlooked.

1. **How often do forced-air furnace filters need to be changed?**
At least every three months during the heating season.
2. **What part of the faucet usually needs to be replaced when you have a water leak?**
The washer.
3. **Should you run hot or cold water through your garbage disposal?**
Cold water.
4. **How often should the moving parts of garage doors be oiled?**
Every three months.
5. **What tools can you use to unclog your drains?**
A plunger and a plumber's snake.
6. **What tool can be used to unclog a toilet?**
Coil spring-steel auger.
7. **What faucet part needs to be cleaned every three to four months?**
Aerator — the screen inside the end of the faucet.
8. **What can you use for traction on icy sidewalks, steps and driveways?**
Cat litter or sand — never use salt because it damages the pavement.
9. **Where should the fire in your fireplace be built?**
On the and irons or grate, never on the fireplace floor.
10. **What will prevent soot and add color to the fire in your fireplace?**
Throw in a handful of salt.
11. **Where should your firewood be stored?**
Outside, away from your house and not directly on the ground.
12. **What helps keep unpainted concrete floors easy to keep clean?**
Concrete sealer.
13. **What should you use to clean unpainted concrete floors?**
A solution of 4 to 6 tablespoons of washing soda in a gallon of hot water. Mix scouring powder to the solution for tough jobs.
14. **Why should frozen pipes be thawed slowly?**
Frozen pipes should be thawed slowly to prevent the formation of steam, which could cause the pipe to burst.
15. **How often should your roof be inspected?**
A qualified roofer should inspect your roof every three years.
16. **What should be regularly checked on your security system?**
The alarms and circuit breakers should be checked to make sure they are in working order and the sensors should be inspected one by one.
17. **At what temperature should your water heater be set?**
120 degrees Fahrenheit
18. **How often do skylights need to be inspected?**
Skylights should be inspected each time your roof is inspected so leaks don't develop from cracks and interruptions around its seals, caulking and flashings.
19. **What can you use to help a window slide easily?**
Rub the channel with a piece of paraffin.
20. **What should you look for when you inspect your siding yearly?**
Determine if wood-sided homes need to be repainted; check to see if the caulking around the windows and doors has split and cracked, and replace the caulk; clean the mildew; trim shrubbery away so it does not touch the siding.

RECAP

And the 2017 Sales Awards for RWC, HOME & MHWC Go To...

By Suzanne Palkovic, VP of Sales

It's that time again for Residential Warranty Company, LLC (RWC) and its affiliates HOME of Texas (HOME), and MHWC, to acknowledge and congratulate the 2017 Sales Awards Winners! The Account Executives recognized this year for their individual efforts and achievements have each generated a great deal of business activity logging appointments, sending mailings, making phone calls, stopping in for PR visits, in addition to all of the day-to-day basics that ultimately resulted in another very productive year.

The Outstanding Account Executive of the Year Award is the companies' most prestigious award and is bestowed upon the Account Executive who demonstrates the most effort in a variety of categories. While Sales is obviously the most critical factor, there are also many other duties vital to the sales process which pave the way for the sale to be made. The Outstanding Account Executive of the Year Award for 2017 encompasses all these many factors and more.

We are excited to announce another first time winner, **Rich McPhee**, as our Outstanding Account Executive of the Year. Rich has been with us for just over 4 years but his knowledge of the home warranty industry, combined with his excellent customer service, is unparalleled making him an invaluable asset to the many RWC members he has brought into our fold.

As any sales-driven organization is well-aware, success of a company is unobtainable without hard-working and dedicated sales people. Again this year, we are blessed that several different Account Executives worked their way into contention for all of our companies' top awards, making ours a truly a well-rounded and dedicated sales team.



Rich

We are pleased and proud to have these winners on board.

Outstanding Account Executive of the Year:

- 1. Rich McPhee**
2. Jana Watts
3. Staci Cool



Jana



Freddy



Staci

Most Projected Homes to Warrant:

- 1. Rich McPhee**
2. Jana Watts
3. Freddy Pesqueira

Largest Average Size New Builder:

- 1. Rich McPhee**
2. Freddy Pesqueira & Fred Taylor (tie)
3. Staci Cool

Most Applications Received:

- 1. Jana Watts**
2. Tifanee McCall
3. Freddy Pesqueira

Highest Approval Percentage:

- 1. Freddy Pesqueira**
2. Tifanee McCall
3. Jana Watts

Best Retention:

- 1. Staci Cool**
2. Tifanee McCall
3. Fred Taylor

Rookie of the Year: **Staci Cool**

Congratulations to all!

Special recognition again goes out this year to Jody Lehman, our Administrative Assistant, because without her support here in the office, it would be much harder for any of us to be productive or successful. She's the one that prepares rate illustrations, arranges trade shows, sends out mailings, keeps PDFs up to date and in general... is here for the Sales Team. Agnes Brennan is also critical to our team's success, helping us to help our builders maintain their membership each year. While the sales people in the field generally are the ones that gain the recognition, the people behind the scenes are extremely important to provide the support needed to get the job done. Congratulations to Rich and to all 2017 Builder Warranty Sales Awards Winners!

Ask the RWC Enrollments Department

Q. Is the Warranty Transferable?

- A. Yes, the Limited Warranty is automatically transferred to subsequent Owners throughout the entire warranty term, regardless of the number of times it is resold during that period. Coverage transfers automatically – the home is what's warranted as opposed to the homeowner. There are no fees to pay or forms to complete.

Q. I don't have a copy of the original Application for Warranty with the homeowner's signature. What can I send?

- A. The Warranty Company will accept a signed copy of the Application for Warranty form.

Q. Can the Warranty be extended?

- A. No. Each warranty is covered for the term indicated in the Limited Warranty Book issued for a specific house.

Q. How do I know my Title Company is sending in the completed Application for Warranty form and payment in order for RWC to validate coverage?

- A. If you use Warranty Express, click on Reports. You can check the homes you have open and closed in your account with RWC at any time. If you're not using it, call us for a password.

Q. I need a HUD Acceptance Letter. What do I do?

- A. Contact RWC at 800-247-1812. If you enroll your homes through Warranty Express, you can also request one through the site as you enroll a home or in the Order History section under Edit.

Q. 911 changed the legal address of a home that is closing. Can I just change that on the Application for Warranty form?

- A. No. The Application for Warranty form is a Legal document. Please contact RWC and we will make the change in our system and mail/email/fax a new Application for Warranty form to you.

Q. I'm closing in a half hour and I forgot to enroll a home. Is it possible to get a warranty in time for closing?

- A. Yes. Warranty Express gives you, the builder, control to enroll a home at any time. You only need a password to log on and enroll the home you need for closing. If you're not using it, call us for a password.

Q. How do I get sample warranty books to show my prospective buyers?

- A. There are several ways to order marketing materials, including sample warranty books. You may order them online through Warranty Express, even if you don't use Warranty Express to enroll homes. All you need is a password. You can also order by calling the Marketing Department at 1-800-247-1812, Ext. 2459, email info@rwcwarranty.com, or you can order by return reply card from our Marketing Materials brochure, (form #542).

Q. When should model and spec homes be warranted?

- A. Homes in your inventory should be warranted as "builder-owned" if they have not been sold within eighteen (18) months from the time construction is completed. If you have approached the 18 month period and you have a contract on the home, please contact our Enrollments Department to see if an extension can be granted.

Q. What do I do if I'm having problems with Warranty Express?

- A. Use the Support Form located on the login screen and describe the problems you are encountering.

Free Marketing Materials

Did you know marketing materials are available to you for *FREE* as part of your Membership with us? To see a wide array of what's available visit: rwcwarranty.com/marketing-materials/

This issue's feature item is:

Why a Warranty Matters Consumer Brochure

(Form #594)

This easy to understand brochure explains to homebuyers the benefits of an RWC new home warranty and how the coverage works in their favor.



Stay Secure

RWC strongly encourages you to use the secure upload portals on each of our websites to send important documents rather than emailing, faxing or mailing information regarding new memberships, renewals, or warranty resolution matters.

Secure upload links can be found in the drop down menu when you hover over the "Builders" tab (or the "Manufacturer's tab on the MHWC affiliate site), as well as at the very bottom of every webpage. Simply follow the prompts to send documents securely. Keeping yourself secure from theft and vulnerability is a top priority. Better safe than sorry!

RECAP

RWC Insurance Advantage Launches New Website

By Ron Sweigert, RWC Insurance Advantage

RWC Insurance Advantage (RIA) is excited to announce the launch of our new website. RWC members can now request a quote, apply for coverage or request certificates all from their computer or mobile devices.

HOME BUILDER'S INSURANCE AT PREFERRED PRICES!



WE OFFER:

General Liability Insurance* - General Liability is insurance that protects you from a variety of claims including bodily injury to members of the public and damage to property belonging to others that arise out of your business activities. RIA can offer options in the form of an Occurrence Policy or a Claims Made policy. Please visit our website for FAQ's on these coverage forms.



Umbrella and Excess Insurance* - In conjunction with McGowen Excess and Casualty, these policies provide you with additional limits (usually \$1mm to \$5mm) of liability above your General Liability policy. Since a General Liability policy protects your business from bodily injury and property damage claims that you become legally obligated to pay, it is essential that you have proper limits in place to protect your business. In today's litigious society, a \$1,000,000 of General Liability insurance may not be enough. Check out FAQ's on our website. Look under products.



Builders Risk Insurance - We are an authorized agent for one of the world's largest insurers...Zurich. Builders Risk insurance protects your financial interest in the materials, fixtures and/or equipment being used in the construction, or renovation of a building, or structure in the event they are damaged or destroyed by a covered cause of loss like fire, windstorm, vandalism or theft.



Contractors Equipment Insurance - With Zurich, Contractors Equipment coverage is property insurance that covers the loss of, or damage to covered equipment owned by you, or in your possession resulting from such hazards as fire, theft or vandalism.

As a leader in the residential home building industry we are committed to providing general liability insurance and select other coverages to members of Residential Warranty Company, LLC, throughout the United States*.



Before you renew coverage elsewhere, consider getting a quote with RIA. Just visit our website and click on the Get A Quote button and answer a few easy questions. We will reply via e-mail with a price indication.

GET A QUOTE

*Insurance products may not be available in all states & are subject to underwriting requirements.

RWC
INSURANCE
Advantage

www.RWCInsuranceAdvantage.com

Who Should I Contact?

Give us a call - We'll do our best to help! First and foremost, know that your Account Executive is ready, willing and able to help you with all of your warranty and insurance needs. Contact them directly and let them do the legwork for you.



Who is My Account Executive?

Patrick Basom

AR, CO, KS, KY, LA, MA, MN,
MO, ND, NE, NM, OK, RI, SD, TN
800-247-1812 x2171
patrick.basom@rwcwarranty.com

Staci Cool

IL, IN, MI, OH
269-751-9392
staci.cool@rwcwarranty.com

John Felbaum

AZ, CA, ID, NV, OR, UT, WA
702-340-7233
john.felbaum@rwcwarranty.com

Diana Gomez

TX
512-585-1909
diana.gomez@homeoftexas.com

Tifanee McCall

Central & Western PA *and*
All Manufacturers and MHWC Builder/Dealers Nationwide
800-247-1812 x2132
tifanee.mccall@mhwcwarranty.com

Rich McPhee

DE, MD, VA, Washington DC
301-676-0780
rich.mcphee@rwcwarranty.com

Freddy Pesqueira

AL, GA, FL
678-276-6013
freddy.pesqueira@rwcwarranty.com

Fred Taylor

NC, SC
336-251-9588
fred.taylor@rwcwarranty.com

Jana Watts

CT, IA, ME, MS, MT, NH, NJ, NY,
Eastern PA, VT, WI, WV, WY
908-638-0473
jana.watts@rwcwarranty.com



Questions on the RWC Insurance Advantage Program?

Call 866-454-2155 or Email Us

Quotes:

Ron, x2190
ron.sweigert@rwcinsuranceadvantage.com

Underwriting:

Bohdan, x2190
bohdan.hoh@theparmergroup.com

Roberta, x2272

roberta.woodhall@theparmergroup.com

Certificates and Loss Runs:

Roxanne, x2363
roxanne.harrell@theparmergroup.com

Claims:

Laura, x2278
laura.current@iadclaims.com



Questions on the Warranty Program? Call 800-247-1812 or Email Us:

Enrollments (RWC & MHWC)

Building Systems Enrollments:
Dana, x2212
dana.myers@rwcwarranty.com

Enrollments (HOME of Texas):

Joelle, x2366
joelle.gross@rwcwarranty.com

RSW, Remodeling & Garages, Warranty Express:

Sandra, x2107
sandra.sweigert@rwcwarranty.com

Membership/New Application Status & Renewal Questions:

Donna, x2148
donna.foose@rwcwarranty.com

Accounting/Invoicing:

Shirley, x2173
shirley.poligone@rwcwarranty.com

Accounting/Incentive:

Scott, x2102
scott.longer@rwcwarranty.com

Warranty Resolution:

Ann, x2200
ann.cooper@rwcwarranty.com

FREE Marketing Materials:

Victoria, x2459
victoria.sontheimer@rwcwarranty.com

Logos for Websites:

Ron, x2169
ron.bostdorf@rwcwarranty.com

Additional Insured! Me? Welcome to Blue Monday

By Doug Davis, Integrity Underwriters

Why do bad things seem to happen most on Monday mornings? We even call it “Blue Monday.” Take the builder, for example, who wasn’t named Additional Insured on his exterior painter’s general liability policy.

Our builder came to work one fine Monday morning to discover a voice-mail. His painter had over-sprayed a dozen parked cars in a lot across the street from his three-story townhouse project that was nearing completion. It happened on Saturday, which was windy. Too windy for spray painting three floors up. The cars belong to a pre-owned Corvette dealership. Each Corvette is worth an average \$40,000. The estimated cost to re-paint all twelve is over \$104,000. The painter admitted he’d messed up big time and lamely explained rain was forecast

going to defend him in the lawsuit soon to be filed by the Corvette dealership. They are claiming loss of market value now that they have to disclose to customers that their inventory had been damaged. This is going to get ugly and consume large amounts of our builder’s time. His insurance company may not renew his policy. Why? Simply because our builder was not named Additional Insured on the painter’s policy. So, what’s so important about being named Additional Insured anyway?

When you require your subcontractors to list you as Additional Insured on their general liability policies, you become entitled to insurance coverage benefits under their policies. Additional Insured status is most often used in connection with an indemnification agreement, also known as a hold-harmless clause. Hold harmless

you harmless, your general liability insurance company may have to cover the loss and defend you if you are sued. They may seek reimbursement from your subcontractors’ insurance companies, or the subcontractors themselves. Your insurance premium could increase due to the greater exposure, or your insurance company may even decide to not renew your coverage.

Additional Insureds! Hold-harmless clauses! Contracts! Maybe every day is Blue Monday when you have to deal with such things. Consider this, however; why jeopardize your insurance coverage because an incompetent painter decided to use a spray gun on a windy day?

The RWC Insurance Advantage is committed to providing you with the best possible general liability insurance protection. But, we need your help. Here’s a checklist:


- (1) Review your contracts with all your subcontractors.*
- (2) Are you named Additional Insured on all their general liability policies?
- (3) Do they all hold you harmless for all claims while working for you?
- (4) Do you obtain up-to-date certificates of insurance every year from each one?

If you have questions about this article, or would like us to review your general liability insurance needs, we’d like to hear from you. Contact us by email or call us at:

► info@rwcinsuranceadvantage.com
► 1-866-454-2155

Make Blue Monday a little less blue.

*Please consider consulting an attorney if you need assistance in drafting contract language. This article is intended to help you better understand general liability insurance terms and coverages. It is not to be construed as legal advice. Terms and conditions of various insurance company policy forms may vary.



“Without you being *Additional Insured* on your subcontractors’ policies, you can be brought into any suit resulting from your subcontractors’ negligent acts.”

for the next four days, so he decided to “make hay while the sun shined.”

Our builder’s subcontractor was obviously at fault. Our builder had no part in this loss. When he hired the painter he expected he was dealing with a professional who knew his job. Yet our builder’s general liability policy, not the painter’s, is going to pay the claim. Our builder’s insurance company, not the painter’s, is

going to defend him in the lawsuit soon to be filed by the Corvette dealership. They are claiming loss of market value now that they have to disclose to customers that their inventory had been damaged. This is going to get ugly and consume large amounts of our builder’s time. His insurance company may not renew his policy. Why? Simply because our builder was not named Additional Insured on the painter’s policy. So, what’s so important about being named Additional Insured anyway?

When you require your subcontractors to list you as Additional Insured on their general liability policies, you become entitled to insurance coverage benefits under their policies. Additional Insured status is most often used in connection with an indemnification agreement, also known as a hold-harmless clause. Hold harmless

Number Crunch

**1.8
MILLION**

number of kitchens remodeled
each year.

**12.5
YEARS**

The number of years it takes to
become an architect in the U.S.,
from enrollment to licensure,
according to the National Council
of Architectural Registration Boards
2017 data report.

TOP 5

affordable states for millennial
homebuyers are West Virginia,
Ohio, Arkansas, Indiana, and Iowa
according to GoBankingRates.com.

68%

the majority of buyers who
want their washer and dryer
on the first floor of the home.

Where Can I Find...?

Want to check the enrollment status of a certain home or order brochures? The RWC website is chock full of resources for you. We listed some of the more frequently used sections below for easy reference. Start by visiting www.rwcwarranty.com.

I WONDER IF THERE'S A WARRANTY FOR THAT?

RWC has more warranty options that you may realize. Hover over **"Builders"** to see, at a glance, all the products and features available. To go to the list of warranty options available, select *"Warranty Products"*.

GET A GL INSURANCE QUOTE

The RWC Insurance Advantage can meet many of your commercial insurance needs. Get a quote by clicking on the **"RWC Insurance Advantage"** tab or go directly to www.RWCInsuranceAdvantage.com.

ENROLL A HOME

In the top right corner of any page on our site, see the link to **"Warranty Express"**. Sign in to Warranty Express with your registration # and password. Select *"Warranty Express"* to begin the enrollment process.

CHECK THE ENROLLMENT STATUS OF HOMES

Once logged into **"Warranty Express"**, you will see options for things like *"Order History"* and *"Report"*. From here you can order an enrollment report or check the status of a specific home.

ORDER FREE MARKETING MATERIALS

From the main menu once you are logged into **"Warranty Express"** go to *"Order Supplies"* to request sample warranty books and marketing pieces.

WHAT IF I HAVE QUESTIONS?

RWC provides a list of *"FAQs"* for Builders. See the link in the **"Builders"** super-menu. If you need additional information, all our contact information and helpful contact forms can be found in **"About Us"**.

FIND YOUR ACCOUNT EXECUTIVE

From any page, hover over either **"Builders"** or **"About Us"** in the bar at the top and click *"Find Your Account Executive"*. Simply select your state.

ANSWER CLIENTS' QUESTIONS ON THE WARRANTY

Hover over **"Homeowners"** in the bar at the top of any page and find links to *"FAQs"* for homeowners, seasonal maintenance checklists and many reasons why an RWC warranty is valuable to your buyers.

LOOKING FOR A FORM YOU NEED TO COMPLETE YOUR APPLICATION OR MEMBERSHIP RENEWAL?

Check out our "Forms Library" from the **"Builders"** Supermenu.



5300 Derry Street
Harrisburg, PA 17111

Presort STD
US Postage
Paid
Harrisburg, PA
Permit #954



CUSTOMIZED STATE WARRANTY

Warranties come in all shapes and sizes and if you are looking for something besides the "traditional" new home warranty, RWC's *Customized State Warranty (CSW)** is the answer! This warranty is the most unique and specialized new home warranty program in the industry. Each customized warranty is crafted specifically to meet each state's statutes regarding new home warranties. The Builder's liability is limited and individual state requirements for coverage are included, as applicable. RWC's insurer covers warranted structural failures from day 1 throughout the entire warranty term.

For more information visit www.rwcwarranty.com and click "Warranties - State by State" under the Builder tab. You may also email sales@rwcwarranty.com or call 800-247-1812 x2149.

*Not available in AK, CO, HI, NJ & TX

