



**Home  
Construction  
Insurance  
Company**

# Application

A Builder Owned Risk Retention Group Insurance Program



**If you are a quality Builder\* looking for better  
General Liability Insurance please contact your local  
broker or us for more information:**

**1 877 544 4399**

**[inquiries@hcicinsurance.com](mailto:inquiries@hcicinsurance.com)**

**[www.hcicinsurance.com](http://www.hcicinsurance.com)**

**Please email all Underwriting inquiries to the address above.**



**Program Administrators Contact**

**Tel: 1 877 544 4399**

**Fax: 1 877 544 3294**

JH Insurance Services  
127 Broadway, Suite #210  
Santa Monica, CA 90401, USA

**Email:** [alexandra.cullen@jhinsurance.com](mailto:alexandra.cullen@jhinsurance.com)

HCIC is a Nevada Domiciled  
Risk Retention Group

With captive and regulatory  
Management provided by  
Risk Services LLC Florida

*\*With \$2.5 million – \$400 million  
annual revenue*

**Home  
Construction  
Insurance  
Company**

**A Risk Retention Group**

## Construction Supplemental Application

### Applicants Instructions:-

Answer all questions IN INK. If the answer to any question is NONE, please state NONE. If there is insufficient space for any answer please continue on a separate sheet of paper.

### 1. Applicant Information

Effective date of policy:- ..... First Named Insured .....

If any other Named Insureds are to be included, please continue this list in Addendum 1 or alternatively provide full Named Insured schedule with full description of each entity.

**No entity will be considered for coverage without a full description of operations.**

License number(s) and type(s):

Business is a:

- Corporation                       Partnership                       Joint Venture  
 Sole Proprietorship                       LLC

Year formed ..... Years under current senior management .....

- **If formed less than 5 years ago, and/or under current senior management for less than 5 years, please enclose full details of experience and resumes of principals/senior management.**

If any of the Named Insureds have changed their business names within the past 10 years, please advise reason(s), date(s) of change(s) and the previous business name(s) :

.....  
 .....

Are any of the Named Insureds involved in any joint ventures not listed in Addendum 1?                      Yes  No

If yes, is the joint venture insurance coverage placed elsewhere?                      Yes  No

Is coverage for any joint venture being requested in this insurance application?                      Yes  No

If yes, provide details and names of these operations:-

### Prior Insurance

Name of current Insurance Carrier:- .....

Expiring Premium:- \$ ..... Policy Limits:- \$.....

Deductible amount:- \$ ..... Self-Insured Retention:- \$.....

Is the Deductible/SIR:

Per occurrence:    Yes  No                       Per Claim:            Yes  No

Other                      Yes  No                       If yes, describe:.....

Have you ever been:-

Insured by a policy that does not cover work on attached or multi-unit dwellings, subsidence, or completed operations?

Yes  No

If yes, provide full details:- .....

.....

Without coverage or with a lapse in coverage at any time since the business started?

Yes  No

If yes, list all such periods:- .....

.....

**2. Operations**

Describe all operations:- .....

.....

Risk is: Developer .....%      General Contractor .....%      Subcontractor .....%

Has there been any substantial change in operations during the past ten (10) years or since your organization was formed if less than ten years?

Yes  No

If yes, give full details:- .....

How far from the mailing address shown on the Acord form are your operations conducted (indicate approximate percentage split)?

Under 50 miles: .....%;      50 - 100 miles: .....%;      Over 100 miles: .....%

Has there been any major change to these percentages in past ten (10) years?

Yes  No

If yes, give brief details:- .....

**Indicate Direct Payroll, Subcontract Costs and Gross Receipts (exclude business insured elsewhere):-**

	Direct Payroll	Subcontract Costs	Gross Receipts
Next 12 Months Estimate	\$	\$	\$
Current Year Estimate	\$	\$	\$
1st Prior Year	\$	\$	\$
2nd Prior Year	\$	\$	\$
3rd Prior Year	\$	\$	\$
4th Prior Year	\$	\$	\$
5th Prior Year	\$	\$	\$

What proportion of work is:-

a. Performed by you: .....%

b. Performed by others on your behalf: .....%

Total: 100 %

**If all work is performed by others on your behalf, you do not need to complete the table below.**

For work you anticipate contracting to do in the next twelve (12) months, show in the table below the split for each trade between (a) retained work which is to be performed by you, and (b) subcontracted work which is to be performed by others on your behalf.

**Each row must total 100% if the trade is involved in work you anticipate you will contract to do.**

TYPE OF WORK	Performed by you	Performed by others on your behalf
Carpentry (NOT framing)	%	%
Concrete (foundations)	%	%
Concrete - new build (NOT foundations)	%	%
Drilling	%	%
Dry Wall	%	%
Electrical	%	%
Excavation/ Grading (rough)	%	%
Fencing	%	%
Floor covering	%	%
Framing	%	%
Grading (finish)	%	%
Insulation	%	%
HVAC	%	%
Landscaping	%	%
Painting (exterior)	%	%
Painting (interior)	%	%
Plastering (interior)	%	%
Plumbing	%	%
Roofing	%	%
Seismic Retro-Fit	%	%
Sewer/Water Mains (hook up)	%	%
Sewer/Water Mains (NOT hook up)	%	%
Sheet Metal	%	%
Steel (Ornamental)	%	%
Steel (Structural)	%	%
Street / Road	%	%
Stucco	%	%
Supervisory Only	%	%
Tiling	%	%
Window Installation	%	%
Other 1 (Describe)	%	%
Other 2 (Describe)	%	%

If you do **any** work as SUBCONTRACTOR, what percentage of that work do you currently obtain from entities with which you have continuous and ongoing business relationships for (total must equal 100%):

a. less than 3 years . . . . .%;      b. 3 to 5 years . . . . .%;      c. more than 5 years . . . . .%

• **Attach a list of all Developers/General Contractors you have worked for in the past 12 months**

Indicate percentage of work performed on the following types of construction, both currently and during the past ten (10) years (or since your organization was formed if less than ten years)?:-

Current		Past Ten Years*
%	New Construction	%
%	Remodeling	%
%	Maintenance; Service; Repair	%

100% Total

100% Total

Current		Past Ten Years*
%	Commercial Buildings (Offices , etc)	%
%	Industrial Buildings (Manufacturing)	%
%	Institutional Buildings (Hospitals, Schools, etc)	%
%	Apartments	%
%	Condominiums	%
%	Multi-Unit Dwellings (Include: Town-Houses, Duplexes)	%
%	Tract Homes / Non-Custom Single Family Dwellings	%
%	Single-Homes (Custom Built)	%

100% Total

100% Total

Current		Past Ten Years*
%	California Operations	%
%	Operations Outside of California	%

100% Total

100% Total

\* or since formed if under ten years

• Explain in detail on a separate sheet of paper any operations outside California.

Indicate the number of each of the following you have worked on (if zero, show "0"):

		Past 10 years (since formed if sooner)	Current 12 months	Next 12 months (forecast)
Condominium & multi-unit dwelling (incl. town-homes, duplexes, etc.):	Projects			
	Units			
Tract home:	Total number of Units			
	Projects with 1 - 50 units*			
	Projects with 51 - 100 units*			
	Projects with 101 - 150 units*			
	Projects with over 150 units*			
	* number of units at completion of project regardless of when work done or by whom			
Single-Homes (Custom Built)				
Approximate average unit size in square feet				
Approximate average sale price of each unit				

If you have worked in the past five years, or plan to work in the future, on projects at which the number of units planned/built exceeds 150, give details including project name, location, and number of units at each:-

Have you ever performed any of the following work?

- Work at a landfill, waste, recycling or environmental remediation site? Yes  No
- Installation, testing or removal of petroleum or any other under or above ground storage tanks? Yes  No
- Asbestos or lead paint abatement or removal? Yes  No
- Railroad track/trackbed construction, repair or maintenance? Yes  No
- Installation or servicing of automatic sprinkler or fire suppression systems? Yes  No
- Installation of commercial fire alarms or smoke detectors? Yes  No
- Installation, servicing or repair of high-pressure boiler systems? Yes  No
- Installation, servicing or repair of gas mains? Yes  No
- Waterproofing or swimming pool construction? Yes  No
- Repair of earthquake damage? Yes  No
- Blasting, demolition or work involving the use of explosives? Yes  No
- Construction of bridges, dams, levees or similar? Yes  No
- Heavy Engineering such as Caissons, Cantilever, Piers; Shoring or similar? Yes  No
- Masonry work on commercial buildings? Yes  No
- Application of "Exterior Insulation Finish Systems" (AKA Synthetic Stucco)? Yes  No
- Construction management for a fee? Yes  No

Do you perform work below grade? Yes  No

If yes, maximum depth . . . . . feet. % of total work . . . . .%

If your work involves grading, excavating, concrete or foundation work on residential lots and pads, please advise the percentage of that work for

a. Past 10 years: . . . . .%; b. Next 12 months: . . . . .%

Do you work on hillsides or slopes? Yes  No

If yes, maximum degree of slope:-. . . . .

If yes, please advise details of this work for the past five years:-. . . . .

Average height of building(s) . . . . .storeys. Maximum height worked on . . . . .storeys.

Indicate percentage of work performed above two storeys in height from grade . . . . .%

Have you ever constructed/built any buildings in excess of 4 storeys? Yes  No

Is any work within 50' of railroads? Yes  No

If yes, frequency of work:-. . . . .

And type of work:-. . . . .

Do you have any other operations outside the realm of contracting / construction? Yes  No

-If yes, give details of these other operations:-. . . . .

-Are these other operations separately insured elsewhere? Yes  No

- Attach a list of major jobs (including brief description and zip code) completed in the last five years.
- Attach a list of jobs in progress and major jobs (including brief description and zip code) anticipated for the next year.

**3.Subcontracted work performed by others on your behalf**

(If all work is performed by you, go to question 4)

What percentage of work do you currently award to sub-contractors with whom you have continuous and ongoing business relationships for:-

- a. less than 3 years . . . . .%;            b. 3 to 5 years . . . . .%;            c. more than 5 years . . . . .%

Do you have a **written** subcontractor agreement, with **every** subcontractor?            Yes  No

Do these agreements require subcontractors to:-

- Carry at least the following primary limits of insurance: \$1,000,000 per Occurrence; \$1,000,000 Products Completed Operations; \$2,000,000 General Aggregate?            Yes  No

- Ensure the policy is of either the occurrence type or claims made with at least 10 years extended reporting period purchased at the effective date of the policy?            Yes  No

- Add you to the policy as an Additional Insured for both General Operations **and** Completed Operations?            Yes  No

- Hold you harmless?            Yes  No

- Provide primary non contributory wording and waiver of subrogation wording?            Yes  No

Do you **always** obtain the following from **every** subcontractor:

- Certificate of insurance evidencing the policy requirements set out above?            Yes  No

- Copy of the Additional Insured endorsement adding you to the subcontractor's policy?            Yes  No

• **Please attach a full copy of your Subcontractors Agreement.**

**4.Loss Control and Risk Management.**

**A. Safety**

Do you have a current written safety program that complies with SB198?            Yes  No

Where and how often are safety meetings held? . . . . .

Is a record kept of the attendees and topics covered?            Yes  No

Please provide names and positions of personnel managing the safety program:-

.....

Do you screen for substance abuse?            Yes  No

In the past 5 years, have you been subject to investigation by OSHA for any alleged safety violations or job-site injuries?            Yes  No

If yes, give full details including dates, description, and outcome on a separate sheet of paper.

What is your Workers Compensation Modifier?

Current . . . . .; 1st prior year . . . . .; 2nd prior year . . . . .

Do you have overall control of any job-sites?            Yes  No

If yes:-

Is perimeter of every job-site under your overall control protected by a chain-link fencing?            Yes  No

Do you have current written procedures for site security?            Yes  No

• **If yes, please attach a copy of your site security procedures.**

**B. Quality Control of Work Product During Construction**

Do you have a structured and active quality management program for your work product? Yes  No

Do you have current written procedures for site security? Yes  No

If yes, was program designed in-house  or by outside consultant  Date Established: .....

Name and position of person managing program: .....

Details of program: .....

.....

Do you employ the services of a third party field inspector to document and approve each phase of construction? Yes  No

If Yes, please advise by whom and details of services provided:- .....

.....

Do you video tape or photograph the construction process? Yes  No

Who performs final inspection of your work before you leave the job site? .....

Do you use outside providers to train your: Superintendents? Yes  No  Foremen? Yes  No

Is this training ongoing? Superintendents: Yes  No  Foremen: Yes  No

Is this training documented? Yes  No

If yes, briefly describe: .....

Have you experienced any allegations of city code violations in the past 10 years? Yes  No

If yes, give full details including dates, description, and outcome on a separate sheet of paper.

If you buy land, do you always ensure it is tested, even if partially developed, prior to purchasing it for development?

Do not buy land  Yes, always ensure tested  No testing

- If Yes, please advise details of tests:- .....

-Please provide a list of all other tests carried out during construction:- .....

.....

**C. Customer Service**

(Applies to Developers and General Contractors only. Subcontractors go to section 5)

What is the turn-around time for fixing problems under warranty? .....

How do you respond to complaints that occur after the warranty period? .....

.....

Are insurance backed Home Warranty policies provided for single family and multi-family dwelling units?

Always  Sometimes  Never  If sometimes, give details of when:- .....

If always or sometimes, what is the duration of the warranties? .....

Name of insurance carrier:- .....

- Are you SB800 compliant? Yes  No
- Do you have a software based system for handling complaints governed by SB800? Yes  No
- Have you adopted the pre-litigation procedures contained in Chapter 4 of SB800? Yes  No
- Do you provide an Enhanced Protection Agreement? Yes  No
- Do you provide each new homeowner with a Homeowners Manual setting out mandatory inspection and maintenance requirements? Yes  No
- Do you keep written records of all customer service activity? Yes  No
- Do you get a signed release from homeowners when warranty or service work is completed? Yes  No
- Do you have a permanent Post Sale customer service department? Yes  No
- If yes, number of employees? . . . . .

• **Attach a copy of your sales agreement**

**5 Losses**

- During the last five years, have any claims been asserted against you? Yes  No
- Are you aware of any circumstances, which may result in a claim, not previously reported or indicated on a loss run, or are you in negotiation with any construction project owner, developer and/or general contractor in conjunction with alleged construction defects? Yes  No
- If yes, describe:- . . . . .  
 . . . . .

**Summary of Losses**

**(Currently valued for past six years Inclusive of any Deductible/Self Insured Retention)**

Policy Year	Number of Losses		Paid Losses (\$)	Outstanding Losses (\$)	Paid Expenses (\$)	Outstanding Expenses (\$)	Total Incurred (\$)
	Open	Closed					
Current							
1st Prior							
2nd Prior							
3rd Prior							
4th Prior							
5th Prior							

**6. Checklist**

**Have you included the following attachments?**

- If formed less than 5 years ago, and/or under current senior management for less than 5 years, provide full details of experience and resumes of principals/senior management. Yes  No  N/A
- If a subcontractor, list of all Developers/General Contractors you have worked for in the past 12 months Yes  No  N/A
- Explanation of any operations outside California Yes  No  N/A
- List of major jobs (include brief description and zip code of each) completed in the last five years. Yes  No  N/A
- List of jobs in progress and major jobs anticipated for the next year (include brief description and zip code of each). Yes  No  N/A
- Copy of your Subcontractors Agreement. Yes  No  N/A
- If you have overall control of any job sites, copy of your site security procedures Yes  No  N/A
- Completed addendum 1 Yes  No  N/A
- Copy of your sales agreement (Developers & General Contractors only) Yes  No  N/A

**All written statements and materials furnished to the underwriters in conjunction with this supplemental application are hereby incorporated into this supplemental application by reference and made a part hereof.**

**The undersigned declares that the statements and facts set forth herein are true and that no material facts have been suppressed or misstated. The undersigned agrees that if the information supplied in this supplemental application changes between the date of this supplemental application and the effective date of the insurance, the undersigned will immediately notify the underwriters of such changes, and the underwriters may withdraw or modify any outstanding quotations, authorization or agreement to bind the insurance. It is understood that any misrepresentation or omission shall constitute grounds for immediate cancellation of coverage and denial of claims, if any.**

**Signing of this supplemental application does not bind the applicant or the underwriters to complete the insurance. Acceptance of the underwriters quotation by the applicant and the underwriters written agreement to be bound is required to bind coverage and issue the policy. It is agreed that this supplemental application shall be the basis of the contract should a policy be issued, and it will be attached to and become part of the policy.**

**General:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or, conceals for the purpose of misleading, information concerning any fact thereto commits a fraudulent act, which is a crime and subjects such person to criminal and civil penalties.

Signed by an **executive officer/director** of the Insured: .....

Date: .....

Name and Title: .....

Signed by the Agent: ..... Date: .....

Name and Title: .....

**Addendum 1 Applicant Information (Continued)**

List all other named insureds to be included:

	<b>Named Insured</b>	<b>Corporation, Joint Venture, Partnership, LLC, or Sole Proprietor</b>	<b>Years Under Current Name*</b>	<b>Year Formed</b>	<b>Licence Number and Type</b>	<b>Describe All Operations of Each Named Insured</b>
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						

\* If any Named Insured has changed its business name within the past 10 years, advise the reason(s), date(s) of change(s) and the previous business name(s) .

**Home Construction Insurance Company**

**This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your State. State insurance insolvency guaranty funds are not available for your risk retention group. Therefore, these funds will not pay your claims or protect your assets if *your risk retention group*, the insurer, becomes insolvent and is unable to make payments as promised.**

