

2005 RESNET Insurance Program San Antonio, Texas

Welcome to RESNET Conference Attendees

Special Thanks To:

- Steve Baden, Executive Director, RESNET
- Claudia Brovick, Public Affairs Director, RESNET
- Mark Jansen, Energy Efficient Homes Midwest

J.R. Parck Inc., Chicago, IL

- James Parck – President and CEO
- Heather Horan – V.P., and Director of Marketing
- Paula Krizek, Client Service Representative



History and development of RESNET Insurance Program

- Meeting in Indianapolis with Mark Jansen, June 2003
- Understanding the issues and discussions with many underwriters
- Discussions led to meeting Steve Baden in San Diego, March 2004
- Final Program
 - Zurich Insurance Group
 - Chubb Group of Insurance Companies

The RESNET Insurance Program

● The program consists of two parts

- Business Owners Policy – Zurich Insurance Group
 - A.M. Best's Rating of "A, XIV"
- Professional Liability Insurance – Chubb Group
 - A.M. Best's Rating of "A+, XV"

Business Owners Policy

● Property Insurance

- Provides coverage for loss/damage to building and personal property
- Deductible of \$250 per claim
- Limits are based upon the dollar amount of property submitted on application
- Premium is calculated on the amount of property values

Business Owner Policy

● Commercial General Liability

- Provides coverage for losses resulting from Bodily Injury or Property Damage to third party
- Limits of Liability:
 - \$1,000,000 per occurrence
 - \$1,000,000 policy aggregate
- Premium is based upon square footage occupied by the insured
- Homeowner's policy does not provide coverage for your business liability exposures

Other coverages that may be purchased separately

- Workers' Compensation
- Auto
- Umbrella
- Crime, Employment Practices Liability Insurance, etc.

Professional Liability Program

● What is Professional Liability?

- Wrongful Act while performing services as a energy rater
- Defense coverage included
- Covers only energy rating services but, can be extended

Underwriting criteria

- 3 year's experience as a energy rater or experience in a related field
- Less than \$150,000 annual revenues
- No prior losses

Professional Liability

- Limit of Liability \$1,000,000/\$1,000,000 aggregate including defense costs
- Deductible is \$5,000 per claim. Applicable to defense costs

Professional Liability

- Covers only energy rating services
- Chubb will not provide coverage for home inspection services
- Other Insurance Markets for “other” services
- Applications and financials (why?)

Professional Liability

- Premium is \$2,700 annually if it fits the 3 underwriting criteria. If not, individually underwritten and priced
- Premiums billed by J.R. Parck Inc. and must be paid in full
- Premium Financing program available through Baytree Financial

Program Results to Date

● Business Owners Policy

- 31 quoted
- 26 written

● Professional Liability

- 25 quoted
- 11 written

● “Limited Window of Opportunity”

Claims Examples

- Business Owners Policy
- Professional Liability