Property & Inland Marine

Residential Construction

Protecting Builders From Foundation To Finish
Why Great American?

Our GREAT beginnings

It all started back in 1872 – a time when accidents and natural disasters meant the end of many businesses. When this need for insurance met a few ambitious German immigrants, the company that would become Great American was born. Our first customer? A rubber comb factory. Within a few years, we became known for paying claims quickly and fairly. For instance, after the 1906 San Francisco earthquake – when many insurance companies couldn’t handle the losses – we paid out more than $2 million in claims, even to policyholders who didn’t have viable coverage.

Nearly 150 years later, we continue that long-standing tradition of financial strength, protecting specialized businesses in more than 100 niche industries around the globe. In fact, Great American Insurance Company has received an “A” rating or higher from A.M. Best for more than 110 years. From that rubber comb factory to today, companies turn to us when they need someone who knows their space, shares their priorities and has the freedom to do what’s right.

The Property & Inland Marine division provides high-quality, specialized commercial insurance products and services in the United States and Canada, specifically focused on:

- Commercial Property
- Inland Marine Coverage
- Builder’s Risk
- Contractor’s Equipment
- Motor Truck Cargo

Out of more than 3,100 property and casualty insurance companies in the United States, we’re one of only two companies to hold an A.M. Best rating of “A” (Excellent) or better for over 110 years and also be listed on the 2018 Ward’s 50 List for insurance company performance.
Builder's Risk/Renovation

Residential Construction

Customized insurance built for you

Great American has dedicated an entire Residential Construction team to the home building industry. Each associate has a deep knowledge of the industry and can offer customized insurance solutions based on your unique situation. With nearly 200 collective years of industry experience, we work closely with many Home Builders Associations throughout the U.S. and Canada — so you can trust we know the industry just as well as you do.

Coverage You Can Count On

From a single, custom home to an entire subdivision, Great American covers all your residential contractor needs, including:

- Property that you are responsible for, including materials that are supplied by the owner or that will be permanently installed in the dwelling.
- Building materials, scaffolding and construction forms while stored on the job site.
- A basic limit for materials stored temporarily at an off-site location. Higher limits may be purchased.
- Property in transit, removal expenses, fire department service charges, and outdoor trees, shrubs and plants.
- Profit - builder’s reasonable profit and overhead with an option to exclude.
- Policy types offered - individual policy for specific location, reporting policy options, or annual auditable policy.
Optional Coverages Offered

- Change order coverage
- Permission to occupy
- “Soft costs” (i.e. loan interest, reality tax and other additional living expense assessments)
- Subdivision/development property endorsement
- Inflation protection
- Green building endorsement
- Additional living expense

Other Coverages Offered

- Trade-in homes
- Model homes and contents, including sales office
- Renovations, including existing structure
- Contractor’s equipment endorsement
- Homes in inventory
- Construction trailers at job sites
- Property for office/office contents

Policy Options

- Single location
- Monthly and “per start” reporting
- Annual audit policy

Renovation

Renovations present a special risk to builders and contractors and we’re here to protect your client’s investment in these unique projects. Existing buildings are covered for their functional value with no coinsurance requirement. We cover new work at replacement cost, including the contractor’s reasonable profit and overhead.

Optional Coverages

- Existing structure coverage
- Inflation protection
- Change order coverage
- Building machinery and equipment breakdown/testing
- Building ordinance and laws
- Soft costs and rental value loss
- Removal expense
- Extra expense
- Historic Tax Credit coverage endorsement

Builder’s Risk Claims Scenarios

We’re proud of the coverages we’ve written for agents just like you. Here are some recent claims scenarios.

Per Occurrence Deductible

Ever wonder what a homebuilder could do with an extra $38,000? Robert found out when he saved that amount with our Per Occurrence Deductible policy. He is a residential homebuilder and had more than 60 homes under construction when a large hail storm came through the area. The hail caused damage to the roofs of 39 homes – which could’ve cost him $39,000. But, since our policy’s deductible is applied per occurrence and not per building, only a $1,000 deductible was applied to the loss, saving Robert both money and a headache!
Time Element Coverage Endorsement

Sometimes, events happen outside of our control that affect other factors. That’s what happened with Sarah, whose four-unit townhome suffered significant fire loss. Unfortunately, the building was going to be used as a sales center and model home, and the fire occurred four weeks before her VIP Open House, which already had about 500 registrants. As a result of the fire, Sarah had to reschedule the VIP Open House and incurred additional advertising expenses and loan interest on the project. But, both expenses were covered under the Time Element Coverage Endorsement, which provides coverage for specific soft costs items such as interest on money borrowed to finance construction, advertising and promotional expenses, architectural or engineering supervisory, and consulting fees.

Homes in Inventory Coverage Endorsement

As we all know, sometimes homes are constructed and are left sitting for the perfect buyer. But, that doesn’t stop damage from occurring, especially when a large hail storm hits the area. With our Homes in Inventory Coverage Endorsement, coverage is extended for these completed homes that are waiting to be sold. Greg recently sustained hail damage to five of his completed homes, but since he had the Homes in Inventory endorsement on his policy, we covered the repair of the damaged roofs so he could refocus on selling the homes.

Model Homes Coverage Endorsement

Model homes play an essential part in the sale of a new home. A potential buyer can better envision themselves in that home when it is set up with nice furniture and appliances. But, what happens when someone breaks into the model home and steals some of the bedroom furniture? Unfortunately, Katherine had this experience, but luckily, she had the Model Homes Coverage Endorsement on her policy. We were able to pay to replace the stolen items, and repair the damages to the home from the theft, so Katherine could get back to using her model home to help with sales.
Contractor’s Equipment

Look around your construction site and do some quick calculations. You could have millions of dollars of equipment that you own or lease on your site at one time. You could face significant losses due to theft, accidents, vandalism, fire or other causes. Would you be covered?

Our Contractor’s Equipment coverage is a highly flexible policy with several important options that protect your business. The scheduled form covers newly-acquired items for 30 days, up to $250,000. But, if you have a large equipment schedule or frequent activity, the automatic acquisition form helps you avoid the inconvenience of adding or removing equipment.

Features That Allow Maximum Flexibility

• We offer two form options, including an Automatic Acquisition Coverage Form and a traditional scheduled form.
• Automatic Acquisition Coverage form eliminates the need to endorse the policy for schedule changes, which ensures that even your newest property is covered (subject to a newly acquired limit).
• Both coverage forms include coverages for expenses that are often overlooked, such as Debris Removal, Pollution Clean-up, Fire Department Service and Crime Reward.
• No flood or earthquake exclusions means better coverage and a more competitive product.
• Contractor’s Equipment Plus Endorsements provides a broader policy to insure incidental loss exposures with no co-insurance.
• Loss of Business Income and/or Extra Expense coverage eliminates the need for separate BI and EE policies.
• Covers equipment on multiple job sites that is owned or under long-term lease.
• Valuation options for:
  ▪ Actual Cash Value (ACV)
  ▪ Stated Amount
  ▪ Replacement Cost - replace covered equipment with comparable current model year (subject to insurance to value requirements).
  ▪ Partial Loss - Elimination of Deduction for Depreciation for losses not exceeding 20%.

Additional Protection for What’s Important

When you take steps to help protect your equipment, you can save money on your policy. With qualified devices and our Anti-Theft or Tracking Device Endorsements:

• We waive the theft deductible up to $10,000.
• You receive a premium credit.

You may also choose to take advantage of other optional coverages available for maximum protection of:

• Leased and Rented Equipment from others for your short-term leased/rented equipment.
• Loss of Business Income and/or Extra Expense as a result of a loss to your covered equipment.
• Rental Expense of substitute equipment.
• Borrowed Equipment.
• Contractor’s Equipment Plus Endorsement broadens your policy by adding several additional coverages at nominal limits to address your incidental exposures.
Contractor’s Equipment Claims Scenarios

It’s never easy to put a project on hold because of unfavorable circumstances, but Great American’s Property & Inland Marine Division eased several insured’s misfortunes with the help of its Contractor’s Equipment policy.

Rental Expense Endorsement

While using a Komatsu PC 2000 at a mine, a dirt wall gave way causing boulders and dirt to fall and cause extensive damage to the Eric’s excavator. Repair parts that had to be shipped from Japan would otherwise have caused several months of delay, but with the Rental Expense Endorsement, Eric was able to rent a smaller piece of equipment that allowed him to continue operations – and Great American covered the rental cost.

Replacement Cost Valuation Endorsement

Damage to equipment can sometimes be unavoidable. After Richard’s 2012 crane was damaged, he turned to his Replacement Cost Valuation Endorsement. Although a crane, like a new car, depreciates as soon as you drive it off the lot, the boom was replaced with no depreciation – which is typically taken on an actual cash value policy.

CE Automatic Acquisition Form

After Carolyn’s mini excavator caught fire approximately three months after it was purchased, her CE Automatic Acquisition Form allowed her to wait to report the unit until the end of the policy term. With her policy, the claim was covered and paid.

Flood Coverage

Natural disasters are an insured’s worst nightmare, and that was the case for Jack after Superstorm Sandy. After flooding equipment at three job sites in the New York and New Jersey area, he was covered and Great American paid the claim.

CE Plus Endorsement

Accidents happen. After Andrew’s rented excavator slipped on a pile of rocks and flipped, the CE Plus Endorsement provided $25,000 in coverage for the rented equipment and the claim was covered and paid.
Property

Select Business Policy From Great American

Protect your office building and business contents with our Select Business Policy. It is a versatile policy that’s become a top choice of many agents. It offers broad standard coverages as well as many features tailor-made for the industries we serve. And, because of our in-depth industry expertise, we can do a better job of helping you craft precisely the right coverage for your clients – so they never pay for coverage they don’t need.
### Coverage Advantages

<table>
<thead>
<tr>
<th>Coverage Advantages</th>
<th>Automatic Limits of*</th>
<th>Points of Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>When you insure:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Building</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Personal Property</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Business Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>our policy covers...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Newly Acquired Buildings</td>
<td>$500,000</td>
<td>Covers up to 90 days until reported</td>
</tr>
<tr>
<td>Machinery, Equipment and Other Personal Property at these Newly Acquired Locations</td>
<td>$250,000</td>
<td>Covers up to 90 days until reported</td>
</tr>
<tr>
<td>Personal Property at Unnamed Locations</td>
<td>$50,000</td>
<td></td>
</tr>
<tr>
<td>Personal Property in Transit</td>
<td>$5,000</td>
<td></td>
</tr>
<tr>
<td>Personal Property of Others in the care, custody or control of Insured</td>
<td>Limit Selected</td>
<td></td>
</tr>
<tr>
<td>Improvements and Betterments, Foundations of Machinery and Tanks</td>
<td>Covered</td>
<td></td>
</tr>
<tr>
<td>Back up of Sewers and Drains</td>
<td>Covered</td>
<td></td>
</tr>
<tr>
<td>Personal Property Leased by Insured</td>
<td>Covered</td>
<td>When insured has a contractual responsibility to insure</td>
</tr>
<tr>
<td>Signs</td>
<td>Covered</td>
<td>Whether attached to Building or not</td>
</tr>
<tr>
<td>Glass</td>
<td>Covered</td>
<td>No &quot;per plate&quot; limitation</td>
</tr>
<tr>
<td>Debris Removal</td>
<td>25% of Direct Loss</td>
<td>Plus an additional $10,000 if limit exceeded</td>
</tr>
<tr>
<td>Pollutant Clean Up and Removal from Land and Water</td>
<td>$10,000</td>
<td>Limit is PER LOCATION per year</td>
</tr>
<tr>
<td>Personal Effects</td>
<td>$5,000</td>
<td>Including employees</td>
</tr>
<tr>
<td>Loss Data Preparation Costs</td>
<td>$5,000</td>
<td></td>
</tr>
<tr>
<td>Fire Protection Device Recharging</td>
<td>$2,500</td>
<td></td>
</tr>
<tr>
<td>Fire Department Service</td>
<td>$5,000</td>
<td></td>
</tr>
<tr>
<td>&quot;Fungus,&quot; wet rot, dry rot, and bacteria</td>
<td>$15,000</td>
<td></td>
</tr>
<tr>
<td>Under the Business Income and Extra Expense form...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extra Expense</td>
<td>Part of Business Income Limit</td>
<td>Not &quot;sublimited&quot;</td>
</tr>
<tr>
<td>Coverage for normal operating expenses that continue after a loss</td>
<td>Part of Business Income Limit</td>
<td>Includes Payroll</td>
</tr>
<tr>
<td>Extended Business Income</td>
<td>Covers for 60 days after operations resume</td>
<td></td>
</tr>
<tr>
<td>Civil Authority</td>
<td>Covers for 3 weeks</td>
<td>When access to insured property prohibited</td>
</tr>
<tr>
<td>Newly Acquired Location</td>
<td>$100,000</td>
<td>Covers up to 90 days until report</td>
</tr>
<tr>
<td>In addition, we provide...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Options for valuation on Building, Business Income, or Business Personal Property</td>
<td>Limited selected</td>
<td>No coinsurance applies where insurance to value is established Business income is actual loss sustained up to the limit selected</td>
</tr>
<tr>
<td>Optional coverage enhancements that clients can purchase for an additional premium</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inflation Guard</td>
<td>% Selected</td>
<td></td>
</tr>
<tr>
<td>Building Ordinance and Law</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A - Undamaged Part of Building</td>
<td>Covered</td>
<td>Included as part of Building Limit</td>
</tr>
<tr>
<td>B - Cost to Demolish and Remove</td>
<td>Limit Selected</td>
<td></td>
</tr>
<tr>
<td>C - Increased Cost of Construction</td>
<td>Limit Selected</td>
<td></td>
</tr>
<tr>
<td>And, when you purchase our “Plus” Policy...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Accounts Receivable</td>
<td>$25,000</td>
<td></td>
</tr>
<tr>
<td>- Valuable Paper</td>
<td>$10,000</td>
<td></td>
</tr>
<tr>
<td>- Extra Expense</td>
<td>$25,000</td>
<td></td>
</tr>
<tr>
<td>- EDP Equipment &amp; Media</td>
<td>$25,000 each</td>
<td></td>
</tr>
<tr>
<td>- EDP Extra Expense</td>
<td>$5,000</td>
<td></td>
</tr>
</tbody>
</table>

*Automatic limits will be provided; other limits may be requested.*
**Builder's Risk At Your Fingertips**

Have you ever filled out a Builder's Risk monthly report and wished it was faster, more convenient and more accurate? Done! Call it a miracle, magic or just plain amazing. We call it PIMReports. This simple online system takes the time-intensive and manual paperwork shuffle of the monthly reporting process and makes it easier, faster and more accurate.

**Real-Time Access**

Pre-populated Evidence of Insurance document can be printed on demand.
Prior submitted reports (remittance slips) may be viewed at any time.
All reports can be saved and printed.

**Increased Accuracy**

Put the calculator away! Premiums are calculated automatically, which reduces errors and prevents lost premium.
Complete and accurate input by the Agent/Insured gives improved location data.
Provide the most accurate premium calculations with location start dates that match monthly report dates.

**Faster Process**

You and your insureds can create and submit reports.
Access payment information and manage the location grid in one location.
Create multiple invoices so an insured can pay premiums from multiple accounts.

**Decreased Expense**

Paperless, electronic document generation.
Savings on postage since reports will not be mailed.
Spend less time processing and more time selling!
Technology

Agent Portal

Secure access to your accounts at your fingertips!
The Property & Inland Marine Agent Portal is easy to navigate, simple to use, and available at any time — anywhere. Some of the useful information available includes:

- Policy documents, account activity, billing information
- Coverage information, applications, eligibility guidelines and marketing materials
- Underwriting service applications
- Submit new business
- Loss runs and other claim information
- Divisional news and features
- Contact information for your Great American service teams

Online Builder’s Risk Quoter / Issuance System

You can quote, bind, and issue Builder’s Risk policies in minutes. The bottom line for you? Less time shuffling paper and more time selling!

Easier Access. Faster Processing. Increased Accuracy.

- Access everything you need right from the Agent Portal.
- Save and print quotes, applications and reports.
- Do-it-yourself system for faster results to your insured — quote and issue all in one place.
- Save your insured’s information in an address book so you don’t have to enter it again for new quotes.
- Need to make a change? Just pull up the saved quote, modify it and let it automatically recalculate.
- Running out of time? Start a quote, save it and finish it later without having to re-enter information.
MyBilling

Easy access to billing information. Insured and agent accessible.

- Online user registration - a policy number and zip code are needed for validation
- Billing status and access to all billing-related documents
- Paperless billing option with email notifications
- Online payment solution - options for one time or recurring

Our Agent Portal makes it easier for you to do business with us.

Visit our Agent Portal online at AgentPortal.GAIG.com

Join us on Facebook, LinkedIn and Twitter by searching “Great American Insurance Group”!
NOTES: