



Liberty
International
Underwriters

CONTRACTORS APPLICATION

Applicant's Instructions:

1. Answer all questions. If the answer to any question is NONE, please state NONE. Do not use N/A or Not Applicable.
2. Please read carefully the statement at the end of this application.

1. **APPLICANT**

Proposed Effective Date: _____

A. Give the full name of applicant and subsidiary companies. _____

B. Principal Address: _____

C. Website: www. _____

D. Corporation _____ Partnership _____
Proprietorship _____ Other (specify) _____

E. How many years has applicant been in business under the current name? _____

F. Have any of the principals ever engaged in this or similar enterprises under a different name?
i. Yes _____ No _____ (if yes, attach details)

E. Please state the name, title and telephone number of the person we may contact in order to arrange for an inspection of your operation.

i. Name _____
ii. Title _____
iii. Tel.# _____

2. **SPECIFICATIONS:**

	Requested	Current
A. Limits of Liability	_____	_____
B. Self-Insured Retention or Deductible (specify):	_____	_____
C. Retroactive Date (if applicable):	_____	
D. Present Insurer: _____ and Premium: _____		
E. Has any insurer ever cancelled, restricted or refused to renew your products liability insurance? Yes _____ No _____ If yes, please attach details.		

2. DESCRIPTION OF CONTRACTING OPERATIONS:

3. GENERAL INFORMATION:

- A. What percentage of work is subcontracted? _____
- B. What is the cost of subcontracted work? _____
- C. What type of work is subcontracted? _____

- D. Are certificates of insurance required from all contractors? Yes _____ No _____ What limits are required? _____
- E. Are you added as an additional insured by all sub-contractors? Yes _____ No _____
- F. Are you held harmless by sub contractors via a written contract? Yes _____ No _____
- G. Do you perform any new residential construction? Yes _____ No _____ % of total operations? _____
- H. Commercial Work _____ % of total receipts.
 Residential Work _____ % of total receipts.
- I. Is a formal safety plan in operation? Yes _____ No _____
- J. Does applicant draw plans, designs or specifications? Yes _____ No _____
- K. Do any operations include blasting or utilize or store explosive material? Yes _____ No _____
- L. Do any operations include excavation, tunneling, underground work or earth moving? Yes _____ No _____
- M. Any medical facilities provided or doctors employed/contracted? Yes _____ No _____
- N. Do operations involve storing, treating, discharging, applying, disposing, or transporting of hazardous material? Yes _____ No _____ If yes, please explain. _____
- K. Any operations sold, acquired or discontinued in last 5 years? Yes _____ No _____ If yes, please explain. _____

4. HISTORICAL RECEIPTS AND PAYROLL.

	RECEIPTS	PAYROLL
Estimated (next 12 months):	\$ _____	\$ _____
Past 12 months:	\$ _____	\$ _____
1 st Previous Year:	\$ _____	\$ _____
2 nd Previous Year:	\$ _____	\$ _____
3 rd Previous Year:	\$ _____	\$ _____
4 th Previous Year:	\$ _____	\$ _____

5. CLAIMS HISTORY

A. 5 years or more (attach hard copy loss runs), total aggregate losses, from first dollar, including expenses.

Valuation date of loss information: _____

Carrier	Term	# of claims	Indemnity Paid	Expenses Paid	Indemnity Reserved	Expenses Reserved	Total Incurred
			\$	\$	\$	\$	\$
			\$	\$	\$	\$	\$
			\$	\$	\$	\$	\$
			\$	\$	\$	\$	\$
			\$	\$	\$	\$	\$
			\$	\$	\$	\$	\$

B. Individual Losses greater than \$10,000, from first dollar including expenses.

Date of Claim	Product Involved	Description of claim	Total Indemnity	Total Expense	Open or closed

C. Are you aware of any other incidents, conditions, circumstances, defects, or suspected defects, which may result in claims against you? Yes _____ No _____ If yes, give details: _____

D. If you have been self-insured or had an SIR, who adjusted the claims and established reserves? _____

E. Have you ever been involved or named in any class action, multi-claimant or multi-district litigation lawsuit? Yes _____ No _____ If yes, give details: _____

F. Have you ever been involved or named in any claim or suit related to the existence of mold, mildew or fungus? Yes _____ No _____ If yes, please explain (include the location of the incident) _____

6. List of current or recently completed jobs, including work performed, duration & cost.

PLEASE CHECK TO ENSURE THAT ALL QUESTIONS HAVE BEEN ANSWERED

Attach copies of:

- Latest annual report.
- 10K report (if publicly traded)
- Current audited financial statement (or pro forma)
- Additional explanation to questions herein where appropriate.

(Note—completion of this application creates no obligation upon the applicant to accept insurance or upon Liberty International Underwriters to offer insurance.)

By signing this application, I am attesting to the accuracy of the information provided. If any information provided by the applicant in this application is found to be false or misleading and would alter the Company's decision to provide the insurance coverage applied for, it is agreed between the Company and the applicant that the coverage, if under binder or policy, is subject to immediate cancellation.

Signature of Applicant: _____ Date _____

Title _____

Name of Broker _____

NOTICE

1. **THE INSURANCE POLICY THAT YOU ARE APPLYING TO PURCHASE IS BEING ISSUED BY AN INSURER THAT IS NOT LICENSED BY THE STATE OF CALIFORNIA. THESE COMPANIES ARE CALLED "NONADMITTED" OR "SURPLUS LINE" INSURERS.**
2. **THE INSURER IS NOT SUBJECT TO THE FINANCIAL SOLVENCY REGULATION AND ENFORCEMENT WHICH APPLIES TO CALIFORNIA LICENSED INSURERS.**
3. **THE INSURER DOES NOT PARTICIPATE IN ANY OF THE INSURANCE GUARANTEE FUNDS CREATED BY CALIFORNIA LAW. THEREFORE, THESE FUNDS WILL NOT PAY YOUR CLAIMS OR PROTECT YOUR ASSETS IF THE INSURER BECOMES INSOLVENT AND IS UNABLE TO MAKE PAYMENTS AS PROMISED.**
4. **CALIFORNIA MAINTAINS A LIST OF ELIGIBLE SURPLUS LINE INSURERS APPROVED BY THE INSURANCE COMMISSIONER. ASK YOUR AGENT OR BROKER IF THE INSURER IS ON THAT LIST.**
5. **FOR ADDITIONAL INFORMATION ABOUT THE INSURER YOU SHOULD ASK QUESTIONS OF YOUR INSURANCE AGENT, BROKER, OR "SURPLUS LINE" BROKER OR CONTACT THE CALIFORNIA DEPARTMENT OF INSURANCE, AT THE FOLLOWING TOLL-FREE TELEPHONE NUMBER: 1-800-927-4357.**
6. **IF YOU, AS THE APPLICANT, REQUIRED THAT THE INSURANCE POLICY YOU HAVE PURCHASED BE BOUND IMMEDIATELY, EITHER BECAUSE EXISTING COVERAGE WAS GOING TO LAPSE, WITHIN TWO BUSINESS DAYS OR BECAUSE YOU WERE REQUIRED TO HAVE COVERAGE WITHIN TWO BUSINESS DAYS, AND YOU DID NOT RECEIVE THIS DISCLOSURE FORM AND A REQUEST FOR YOUR SIGNATURE UNTIL AFTER COVERAGE BECAME EFFECTIVE, YOU HAVE THE RIGHT TO CANCEL THIS POLICY WITHIN FIVE DAYS OF RECEIVING THIS DISCLOSURE. IF YOU CANCEL COVERAGE, THE PREMIUM WILL BE PRORATED AND ANY BROKER FEE CHARGED FOR THIS INSURANCE WILL BE RETURNED TO YOU.**

Date: _____

Insured: _____

INDUSTRIAL INSUREDS

Dear Agent,

Effective Jan. 1, 1993, Section 1764.1 of the Insurance Code reads as follows:

"When a contract is issued to an industrial insured neither the nonadmitted insurer nor the surplus line broker is required to provide the notice required in this section except on the confirmation of insurance, the certificate of placement, or the policy, whichever is first provided to the insured, nor is the insurer or surplus line broker required to obtain the insureds signature.

An Industrial Insured is an Insured:

- a) which employs at least 25 employees on average during the prior 12 months; and
- b) which has aggregate annual premiums for insurance for all risks other than workers compensation and health coverage totaling no less than twenty-five thousand dollars (\$25,000); or
- c) which obtains insurance through the services of a full-time employee acting as an insurance manager or a continuously retained insurance consultant. A "Continuously retained insurance consultant" does not include : (i) Any agent or broker through whom the insurance is being placed, (ii) any subagent or subproducer involved in the transaction or (iii) any agent or broker which is a business organization employing or contracting with any person mentioned in clauses (i) and (ii)."

As it is the responsibility of the Surplus Lines Broker to determine that an applicant qualifies as an Industrial Insured, we must ask that you identify such insureds at the time of binding. Your signature on this form indicates that you have qualified your insured as such, according to the definition in the code.

Insured: Estrin-Hinds Construction Co.

Our Quote # 15599.01

Signature of Agent/Broker Date



2007 TRIA CAS FROM 3D-NA

POLICYHOLDER DISCLOSURE

**NOTICE OF OFFER TO PURCHASE TERRORISM INSURANCE
FOR POLICY PERIOD**

This notice contains important information about the Terrorism Risk Insurance Act and your option to purchase terrorism insurance coverage. Please read it carefully.

THE TERRORISM RISK INSURANCE ACT

The Terrorism Risk Insurance Act and subsequent U.S. federal law or regulation amending or interpreting such act ("TRIA" or "Act") establishes a temporary program to spread the risk of catastrophic losses from certain acts of terrorism between insurers and the U.S. federal government.

TRIA requires insurers to pay losses from "certified acts of terrorism" up to an amount equal to a percentage of its direct earned premium ("insurer deductible"). If an individual insurer's losses exceed this amount, the U.S. federal government will reimburse the insurer for 90% of losses paid in excess of the deductible, provided that aggregate industry losses from such an act exceed \$50 million. In 2007, the U.S. federal government's percentage share of losses paid above the insurer deductible will be 85% and will only be triggered if aggregate losses exceed \$100 million. An insurer that has met its insurer deductible is not liable for any portion of losses in excess of \$100 billion per year. Similarly, the U.S. federal government is not liable for any losses covered by the Act that exceed this amount.

TRIA will expire on December 31, 2007, unless the U.S. Congress extends it. After this date, the U.S. federal government will no longer "certify" acts of terrorism or reimburse losses caused by "certified acts of terrorism."

MANDATORY OFFER OF COVERAGE FOR "CERTIFIED ACTS OF TERRORISM" AND DISCLOSURE OF PREMIUM

TRIA requires insurers to offer coverage for losses resulting from "certified acts of terrorism" that could otherwise be excluded and to specify the premium for this coverage. You have the option to accept or reject this coverage.

TRIA also requires insurers to disclose the premium for losses that result from "certified acts of terrorism" where exclusions are not permitted by state law.

A "certified act of terrorism" means:

[A]ny act that is certified by the Secretary [of the Treasury], in concurrence with the Secretary of State, and the Attorney General of the United States

- (i) to be an act of terrorism;
- (ii) to be a violent act or an act that is dangerous to --

- (I) human life;
- (II) property; or

(iii) to have resulted in damage within the United States, or outside of the United States in the case of -

- (I) an air carrier (as defined in section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States); or
- (II) the premises of a United States mission; and

(iv) to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

HOW THE ACT AFFECTS YOUR POLICY AND WHAT YOU MUST DO

SELECTION OR REJECTION OF OPTIONAL TERRORISM INSURANCE COVERAGE

You have the option of purchasing coverage for losses resulting from "certified acts of terrorism" where it could otherwise be excluded. Coverage for losses from "certified acts of terrorism" is subject to all of the terms, definitions, exclusions and conditions contained in your policy.

If the U.S. Congress does extend TRIA, the premium charge for this coverage for the policy period is \$7,000.

This price is subject to change, and additional premium may be charged if the U.S. Congress does not extend TRIA, or if the U.S. Congress extends TRIA with modifications that increase the insurer deductible, decrease the U.S. federal government's share of losses, redefine terrorism, or require insurers to offer terrorism coverage on terms that differ from those applicable to other types of events or occurrences.

Note: With respect to Excess, Umbrella, or Umbrella Excess Liability policies, this offer of coverage pertains only to those lines of business covered by TRIA and, more specifically, does not apply to commercial automobile insurance. In addition, this offer of TRIA coverage is expressly conditioned upon your acceptance of coverage for "certified acts of terrorism" on all underlying insurance policies that are subject to TRIA or, where applicable, the existence of such coverage on all TRIA eligible lines for which you self-insure. If you reject such coverage on your primary liability policies, you must also reject it on your Excess, Umbrella or Umbrella Excess policy.

If you reject this offer, you will not be covered for losses resulting from "certified acts of terrorism."

If you elect to purchase coverage for "certified acts of terrorism," losses caused by war will still be excluded from coverage under your policy, if your policy so provides. Losses resulting from terrorist acts that the U.S. Secretary of the Treasury fails to certify as falling within the U.S. federal Terrorism Insurance Program, such as those that are the result of a terrorist act that was not committed on behalf of any person or government that is foreign to the U.S. and which exceed an aggregate cost to the insurance industry of \$25 million, will also be excluded unless such coverage is separately offered by the company and purchased by you.

Please indicate on the attached coverage election form, whether you accept or reject this offer. If we do not receive a completed Terrorism Coverage Election Form from you, coverage for "certified acts of terrorism" will be excluded from your policy while TRIA is in effect.



TERRORISM COVERAGE ELECTION FORM

Policy Number:

Effective:

PLEASE INDICATE YOUR ELECTION TO ACCEPT OR REJECT THIS OFFER BELOW:

I hereby elect to purchase coverage for "certified acts of terrorism" for the policy period. If TRIA is extended in its current form, the total premium amount for this coverage will be \$7,000. I understand that this price may increase if the U.S. Congress does not extend TRIA or extends TRIA with any of the modifications described in this notice. Even if I elect to purchase this coverage, I understand that losses caused by war will be excluded, if so provided by my policy.

I hereby reject this offer of coverage for the policy period. I understand that by rejecting this offer, I will have no coverage for losses arising from "certified acts of terrorism" that take place while TRIA is in effect. I also understand that while TRIA is in effect, losses resulting from terrorist acts that the U.S. Secretary of the Treasury fails to "certify" as TRIA eligible will also be excluded (if permitted by state law), if so provided by my policy. If and when TRIA expires, and where permitted by state law, I understand that I will not be covered for losses resulting from any act of terrorism.

POLICYHOLDER ACKNOWLEDGEMENT

I hereby acknowledge that I have received notice of TRIA, the U.S. federal government share of compensation for "certified acts of terrorism" and the premium charge for losses covered by TRIA.

Policyholder/Applicant Signature

Date

Print Name

The summary of the Act and the coverage under your policy contained in this notice is necessarily general in nature. Your policy contains specific terms, definitions, exclusions and conditions. In case of any conflict, your policy language will control the resolution of all coverage questions. Please read your policy carefully.

If you have any questions regarding this notice, please contact your sales representative or agent.



ENDORSEMENT NO.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Endorsement Effective Date _____ Policy No: _____

Insured: _____

SPECIAL CONDITIONS FOR SUBCONTRACTORS ENDORSEMENT

As a condition precedent to an insured's coverage under this Policy for covered liability resulting from a subcontractor working on its behalf, in addition to the terms and conditions of the Policy, the insured must satisfy the additional requirements noted below:

1. Certificates of insurance with limits of liability equal to or greater than those provided by this policy (underwritten by an insurance company with at least an 'A - VII' Best rating as defined by A.M. Best) will be obtained from all subcontractors prior to commencement of any work performed for the insured. Insurance must be maintained during the policy period listed on this policy's declaration page. *Note: If this policy provides a per location aggregate, subcontractor policy must provide the same.*
2. The insured will obtain hold harmless or similar indemnity agreements from subcontractors indemnifying you against all losses for work performed for the insured by any and all subcontractors.
3. The insured will be named as Additional Insured on all subcontractors General Liability policies.

Failure to comply with the above conditions will result in the following:

If a claim is charged to this policy due to a subcontractors operations an increased deductible or SIR (whichever is listed on the Declarations page of this policy) of \$20,000 will apply for any such loss (es).

Commercial General Liability coverage maintained by subcontractors shall be primary and this policy shall be excess of limits of liability of such insurance, notwithstanding the language of the Other Insurance provisions of this policy.

The undersigned acknowledges and accepts the conditions of this endorsement.

Acknowledge by: _____
(Authorized Representative of the Insured)
(MUST BE SIGNED BY THE INSURED)

ALL OTHER TERMS AND CONDITIONS OR THE POLICY REMAIN UNCHANGED.

The undersigned acknowledges and accepts the conditions of this endorsement.

Acknowledge (Please sign & Date) : _____
(Authorized Representative of the Insured)

Name of Signature: _____
(Please Print Name)