



Wrap-Up Insurance Consulting Services

Creating a Solid Foundation for Coverage

Understanding the Lay of the Land

A wrap-up insurance policy is purchased by a contractor or developer, and covers every construction participant in a project under one protective insurance "umbrella." Each participant's coverage and indemnity obligations are clearly identified in the contracts.

A Winning Proposition That Makes Dollars and Sense

Consider the following benefits of a wrap-up program:

- By allocating policy premiums across all construction trades working on the project, your insurance costs are reduced.
- Because the boundaries of liability are set under one insurance policy, there is a single, unified, and cost-effective response to claims.
- Subcontractors are provided with the necessary insurance that they might otherwise be unable to obtain.
- Builders are able to construct projects, such as apartments, attached housing (condominiums and town homes) and single family residences with homeowner's associations that they would not otherwise be able to build due to lack of insurance coverage.

Phase 1 - Setting the Scene for a Synchronized Wrap-Up

A wrap-up policy gives greater protection to the builder, and higher levels of coverage to the project's participants. The concept behind our services is to synchronize the roles of the builder, insurance carrier, and broker. With this team, we provide consistent support to the insured and set a proper foundation for the wrap-up program.

The professionals at Wrapid Specialty, Inc. (Wrapid) develop the groundwork for a successful wrap-up program by providing the following:

- On-site wrap-up training for builders
- Analysis of each project's construction budget to determine costs that may be recouped from participants
- Suggested language for contracts and indemnity agreements
- Contract/bid specifications mandating wrap-up participation for trade contractors and design professionals
- A complete orientation package covering the concept and scope of the program for the builder and all subcontractors on the project
- Ongoing evaluation and troubleshooting (including on-call question-and-answer service) during the course of the project for the builder and all subcontractors
- Enrollment certificates for all project participants

Wrapid accomplishes this by working with the builder, broker, and project participants as an independent consultant.



Phase 2 - The Art of Premium Allocation -- It's a Balancing Act

Premium allocation is the art of determining how much each project participant should contribute to a wrap-up insurance policy. Effective premium allocation requires the finely honed negotiation skills of Wrapid's professionals and their awareness of the role interpersonal relationships play in the construction industry. Wrapid provides this service on a contract basis, and approaches it from the following three angles:

Organization

Each wrap-up project typically includes about 30 or more participants, each of whom is eager to finalize all contracts so that work can begin. Wrapid's highly organized system enabled all premium allocation amounts to be finalized within a very short period of time to keep the project moving--a benefit for all participants.

Education

Wrapid professionals utilize their knowledge and expertise in wrap-up administration to educate subcontractors about the value of such a policy. Because wrap-up rates are often higher than those of traditional insurance policies, subcontractors must fully understand that they benefit from paying for such a premium. Working as a liaison between the builder and subcontractors, Wrapid captures the best premium amounts possible. This requires skillful negotiations that take into account professional reputations and work histories.

Support

Maintaining appropriate documentation is the key to Wrapid's effective wrap-up administrative services. The premium allocation process requires finesse so that participants meet the necessary expectations. Wrapid has a well-organized, web-based program--www.wrapup.net--that enables builders to track the wrap-up process throughout the length of the project. Wrapid's professionals are on hand to provide the latest project information and phone support.

The following is a snapshot of the process Wrapid follows to make the wrap-up process an efficient one for all involved:

- Wrapid meets with builders to help ensure that the building team understands the wrap-up policy.
- Wrapid trains builders.
- Wrapid acts as builders' one-stop source for handling all wrap-up administration.
- Wrapid negotiates with subcontractors to recover insurance contributions to help pay for the wrap-up policy.
- Wrapid handles all paperwork and enrollment of construction participants.

(Wrapid Specialty is not involved in purchasing or brokerage of insurance policies.)

Call Wrapid today!

Wrapid Specialty, Inc.

707 Wilshire Boulevard Suite 2600

Los Angeles, CA 90071-3533

Tel: 877.222.4777

Fax: 866.377.2211

E-mail: wrapups@wrapidspecialty.com

www.wrapidspecialty.com