

# BROKER'S KIT

## Ready Mix Pro™



NORMAN·SPENCER

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# COMPREHENSIVE INSURANCE PROTECTION FOR THE READY MIX CONCRETE INDUSTRY

## GENERAL INFORMATION

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Ready mix concrete manufacturers use cement, aggregate, additives and water to create their product off-site and then deliver it in bulk to the construction site in large trucks with revolving hoppers. This results in a precise mixture, allowing specialty concrete mixtures to be developed and implemented on construction sites. The first ready mix factory was built in the 1930s, but the industry did not begin to expand significantly until the 1960s, and it has continued to grow since then.

Ready mix companies often belong to professional organizations which oversee all of their members. Any innovation in the ready mix concrete industry can be quickly implemented or discussed during regular meetings. Other issues, which can affect the ready mix concrete industry, are maintaining professional standards, environmental concerns and local laws concerning heavy transportation.

## **ELIGIBILITY**

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A risk must meet the following eligibility criteria before it may be quoted in this program.

### *OPERATIONS*

Seventy-five percent or more of the firm's sales and/or payroll must be derived from the delivery of ready mix concrete.

### *SECONDARY OPERATIONS*

Risks may be involved in one or more of the following operations. These operations are acceptable provided the above 75% rule is satisfied:

- Concrete Pumping
- Sand and Gravel Hauling
- Light Concrete Construction
- Sales of Building Materials
- Grading of Land

### **INELIGIBLE OPERATIONS**

- Hauling of Construction Debris
- Hauling of Hazardous Materials
- Laying of Concrete, Including Rebarbing, Forms Setup, and Underpinning
- Crane Exposures

# **ELIGIBILITY GUIDELINES**

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## ***SUBMISSION REQUIREMENTS***

- Completed ACORD Application for each line of insurance.
- Completed Supplemental Applications.
- Loss runs (valued within 90 days) for current year and four prior years. Include a detailed description of losses over \$25,000.
- Driver information and/or MVRs.
- Copy of Fleet Safety Program.

## ***MINIMUM ELIGIBILITY***

- Three years in operation of comparable management experience.

## ***MINIMUM PREMIUM***

- \$50,000

## **UNDERWRITING INFORMATION**

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### ***GENERAL LIABILITY***

The Insurance Service Office (ISO) general liability classification is:

- Concrete Mixed-in-Transit, Code 51956

Following are the ISO general liability classifications for some of the secondary operations that may be encountered:

Concrete Pumping (rated as Concrete Mixed-in-Transit)	Code 51956
Concrete Construction	Code 91560
Sand & Gravel Digging	Code 98710
Contractors Equipment – Rented to Others Without Operator	Code 11208
Contractors Permanent Yards	Code 91590
Grading of Land	Code 95410

### ***AUTOMOBILE***

Ready mix trucks should be written on the automobile policy for liability and physical damage coverages.

All vehicles should be classified according to the Standard ISO Rules.

# **ADMINISTRATIVE PROCEDURES**

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## **PAYMENT PLANS**

- Annual  
Payment in full prior to the effective date.
- Installment Plan  
Payment Plans are available.
- Premium Financing  
All premium finance arrangements are to be made through Norman-Spencer Agency, Inc. No premium financing by broker is permissible. A signed agreement and deposit must be received prior to effective date.

## **CLAIMS**

Reporting of claims will be directed to the Norman-Spencer Agency, Inc.

## **LOSS CONTROL**

Insured will be visited by the Loss Control Department of the applicable insurance company.

## **MARKETING**

Norman-Spencer retains the exclusive right to market this Program. Permission and approval must be received before any local broker may actively market this Program in their area. Marketing includes direct mail, print advertising, brochures, fliers, etc.

*ONLY THE INSURANCE POLICIES THEMSELVES CAN GIVE PERCISE TERMS, COVERAGE AMOUNTS, CONDITIONS AND EXCLUSIONS. IN CASE OF CONFLICT BETWEEN THIS INFORMATION AND THE TERMS OF THE POLICIES THEMSELVES, THE POLICIES WILL GOVERN SUBJECT TO LOCAL LAW AND APPROVAL. THIS INFORMATION IS DESCRIPTIVE ONLY.*

# READY MIXPRO CONTRACTOR'S QUESTIONNAIRE

**ALL QUESTIONS MUST BE ANSWERED** (Attach additional paper if necessary)

1. Applicant: \_\_\_\_\_
  - a. Years in business under current name: \_\_\_\_\_
  - b. Describe your operations: \_\_\_\_\_
  - c. Do you have any other operations active or inactive? Yes No  
If "Yes", please explain: \_\_\_\_\_
  
2. Contractor's license number: \_\_\_\_\_ States in which you do business \_\_\_\_\_
  - a. New York State Applicants: Any work in the five boroughs of New York? Yes No
  
3. List all other business names & licenses active or inactive applicant has used in the past 10 years:  
\_\_\_\_\_
  - a. What were the operations? \_\_\_\_\_
  
4. Does applicant currently own/operate any other business? Yes No  
If "Yes", need name and percentage ownership: \_\_\_\_\_  
What are the operations? \_\_\_\_\_
  
5. Percentage of current operations:  
General Contractor \_\_\_\_\_% Subcontractor \_\_\_\_\_% Construction Manager \_\_\_\_\_%
  
6. Do you use Subcontractors? Yes No If "Yes", please complete the following:
  - a. Percentage of Subcontracted work: \_\_\_\_\_%
  - b. Annual Subcontracting cost (including all of Sub's labor & materials: \$\_\_\_\_\_
  
7. Do you collect certificates from all Subcontractors? Yes No
  - a. What limits are required from these subcontractors? \$\_\_\_\_\_
  
8. Estimate for next 12 months:  
Payroll \$\_\_\_\_\_ Sub-Contract Cost \$\_\_\_\_\_ Gross Receipts \$\_\_\_\_\_
- 4 Years Prior History if applicable:

1 <sup>st</sup> Year	Gross Receipts \$_____
2 <sup>nd</sup> Year	Gross Receipts \$_____
3 <sup>rd</sup> Year	Gross Receipts \$_____
4 <sup>th</sup> Year	Gross Receipts \$_____
  
9. Indicate the % of construction work performed by you: **(MUST TOTAL 100%)**

<b>RESIDENTIAL</b> _____%	<b>COMMERCIAL</b> _____%
New Construction _____%	New Construction _____%
Remodeling/Repair _____%	Remodeling/Repair _____%
Other _____%	_____%

10. Using percentage of payroll (under Direct) and percentage of contract (under Subbed), indicate the anticipated percentage of construction work you will perform over the next 12 months:

Type of Work	% Direct	% Subbed	Type of Work	% Direct	% Subbed	Type of work	% Direct	% Subbed
Airport Runways			Excavation			Roofing		
Blasting			HVAC			Seismic/Retrofitting		
Bridge building			Grading			Sewer		
Carpentry			Insulation			Steel/Structural		
Concrete			Maintenance			Steel/Ornamental		
Demolition			Masonry			Street/Road		
Drilling			Mechanical			Supervisory Only		
Drywall			Painting			Traffic Signals		
Earthquake			Plastering			Water/Gas Mains		
Electrical			Plumbing			Other:		

11. Describe your four largest projects over the past five years, including values:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

12. List current projects underway or planned for the next year, including values:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

13. How many new homes will you build from the ground up in the next year? \_\_\_\_\_

14. Have you ever built a home from the ground up?  Yes  No

a. How long ago? \_\_\_\_\_

b. How many? \_\_\_\_\_

15. How many additional insured endorsements do you anticipate needing in the next year? \_\_\_\_

16. How many Waivers of Subrogation do you anticipate needing in the next year? \_\_\_\_

17. Have you allowed or will you allow your license to be used by any other contractor for a project on which you have worked?  Yes  No

a. Has any other licensing authority taken any action against you?  Yes  No

18. Have you built or will you build on hillsides, terraces, landfills or Subsidence areas?  Yes  No

If "Yeas", please explain: \_\_\_\_\_

19. Do you use scaffolding?  Yes  No

If "Yes", please explain: \_\_\_\_\_

20. Have you been involved or will you be involved with blasting operations or any other hazardous work activity?  Yes  No

If "Yes", please explain: \_\_\_\_\_

21. Do you perform synthetic stucco work (EIFS)?  Yes  No

22. Do any of you subcontractors perform EIFS work?  Yes  No

23. Have you built/demolished or will you build/demolish buildings or other structures in excess of four (4) stories? Yes No  
If "Yes", please explain: \_\_\_\_\_
24. Do you perform work above two stories in height? (other than interior remodel) Yes No  
If "Yes", what percentage? \_\_\_\_\_% Maximum Height? \_\_\_\_\_  
Please describe: \_\_\_\_\_
25. Do you perform any work at airports? Yes No  
If "Yes", please explain: \_\_\_\_\_
26. Do you own, rent or subcontract any cranes? Yes No  
If "Yes", please explain: \_\_\_\_\_
27. Have you been involved in any removal of asbestos, PCB's or other hazardous materials? Yes No
28. Removal or work on fuel tanks or pipelines? Yes No
29. If you are a roofing contractor, subcontractor or performing roofing work, do you use:  
Hot Tar \_\_\_\_\_% Yes No  
Torch Down Yes No  
Modified Bitumen (HOT) Yes No  
Hot Air Welding \_\_\_\_\_% Yes No  
Other: \_\_\_\_\_ Yes No
30. Do you perform any Mold Remediation Work? Yes No
31. Do any of your subcontractors perform Mold Remediation Work? Yes No  
If "Yes", is coverage in place? Yes No  
Name of carrier: \_\_\_\_\_
32. Have you performed or will you perform any work below grade: Yes No  
Maximum Depth \_\_\_\_\_% Percentage of operations \_\_\_\_\_%
33. Any shoring, underpinning, cofferdam or caisson work? Yes No  
If "Yes", please explain: \_\_\_\_\_
34. Have you worked or will you or your employee work under U.S. Longshoremen's and Harbor Workers Act or Jones Maritime Act? Yes No
35. Do you have a formal safety program in place? Yes No
36. Will any work involve the construction of or involvement with condominiums or townhouses? Yes No  
a. If "Yes", is the work new construction? Yes No  
b. Repair or Remodel only? Yes No
37. Will any work involve the construction of or involvement with apartments? Yes No  
a. If "Yes", is the work new construction? Yes No  
How many units in the entire project? \_\_\_\_\_  
b. Repair or Remodel only? Yes No

38. Will any work involve the construction of or involvement with new Duplexes, Triplexes, Fourplexes or Patio Homes?  Yes  No

39. Have you ever worked in new Duplexes, Triplexes, Fourplexes or Patio Homes?  Yes  No  
If "Yes", how long ago? \_\_\_\_\_

40. Will you be working in any new tracts?  Yes  No  
If "Yes", maximum number of homes in **ENTIRE** tract \_\_\_\_\_

41. Have you ever worked in new condominium/townhouses?  Yes  No  
If "Yes", how long ago? \_\_\_\_\_

42. Have you ever worked in new apartments?  Yes  No  
If "Yes", how long ago? \_\_\_\_\_ How many units in the entire building? \_\_\_\_\_

43. Have you ever worked in new tract development?  Yes  No  
If "Yes", how long ago? \_\_\_\_\_  
How many units are in the entire development? \_\_\_\_\_

44. Any current Wrap-Up/OCIP Projects?  Yes  No  
a. Name of Carrier? \_\_\_\_\_

45. Have you ever worked in **new** assisted living facilities?  Yes  No  
If "Yes", how long ago? \_\_\_\_\_ How many units in the entire building? \_\_\_\_\_

46. Have you or will you ever convert apartments to condominiums?  Yes  No

47. Any unusual exposures/operations not otherwise covered by this questionnaire?  Yes  No  
If "Yes", please explain: \_\_\_\_\_

48. Have there been any losses, claims or suits against you in the past five years?  Yes  No  
a. Are there any claims or legal actions pending against any of the entities?  Yes  No  
b. Do any of the entities named in the application have knowledge of any pre-existing act, omission, event, condition or damages to any person or property that may potentially give rise to any future claim or legal action against them?  Yes  No  
c. Have you been accused of faulty construction in the past 5 years?  Yes  No  
d. Have you been accused of breaching a contract in the past 5 years?  Yes  No  
e. Have you ever filed any Mechanic Liens in the past 5 years?  Yes  No

## DEFINITIONS

**EIFS** Interior Insulation Finishing Systems – Multi-layered exterior wall systems (which resemble stucco in appearance) that are used on both commercial buildings and residential homes.

**GENERAL CONTRACTOR-** A contractor who subcontracts work to others in excess of 50% of total receipts, exercise primary control of the job site, and is named in the construction documents as the general contractor of record.

**RESIDENTIAL CONTRACTOR** - Single or multi-unit family housing, including apartments, condominiums and townhouses, planned unit development and tract housing or similar planned communities.

**SUBSIDENCE** - Any movement of the land or earth including landslides, mudflow, earth sinking, rising and shifting, collapse or movement of fill, earth settling, slipping, falling away, caving in, eroding or tilting and earthquake.

**TORCH APPLIED ROOFING (MODIFIED BITUMEN)** - This process, which is also called Torch Welding, involves a modified bitumen installed on a roofing deck by means of a torch. A membrane is laid on the roof, heated by a torch and allowed to cool so that the material solidifies in place. The asphalt component in the membrane serves as an adhesive between the surface material and roof substance.

**HOT AIR WELDING** - Hot Air Welding is a system utilizing a heating source (either electric or propane flame) attached to a hose, which blows hot air onto the membrane.

**TRACT HOUSING** - Developments where the houses are similar in price, physical characteristics, lot size and square footage; numerous houses of similar or complementary design constructed on a given expense of land, by a single builder.

**WRAP-UP (OCIP)** - A policy providing coverage(s) for all interests in a major construction project. Also know as an OCIP (Owner Controlled Insurance Program) or a CCIP (Contractor Controlled Insurance Program).

**WARRANTY:** The purpose of the Supplemental Questionnaire is to assist in the underwriting process. Information contained herein is specifically relied upon in determination of insurability. The undersigned therefore warrants that the information contained herein (consisting of five pages) is true and accurate to the best of his knowledge, information and belief. The Supplemental Questionnaire, and the application to which it is appended, shall be the basis of any insurance policy that may be issued and will be part of such policy.

Signature of Applicant: \* \_\_\_\_\_

Name & Title: \_\_\_\_\_ Date: \_\_\_\_\_

*\* Must be OWNER, EXECUTIVE OFFICER or PARTNER of the company*