

**OWNER CONTROLLED INSURANCE PROGRAM
(OCIP) WRAP UP MANUAL**

ACKNOWLEDGMENT OF RECEIPT

HUNTINGTON LODGE

I, _____ CERTIFY THAT AS OF _____
Name Date

I HAVE RECEIVED THIS MANUAL FOR THE ABOVE-REFERENCED PROJECT.

Signature _____

Company Name _____

IF THIS FORM IS NOT SIGNED AT TIME OF CONTRACT SIGNING,
PLEASE SIGN AND EMAIL OR FAX THIS ACKNOWLEDGMENT OF RECEIPT AS SOON AS POSSIBLE
TO:

**GENERAL CONTRACTOR NAME
ATTN: GRIFFIN CONSTRUCTION, LLC**

EMAIL: SAMUEL@GRIFFINCONSTRUCTIONLLC.COM

THANK YOU!

OCIP Insurance Manual

HUNTINGTON LODGE

Pronghorn Intangibles
OCIP Insurance Manual (Exhibit “W”)

HUNTINGTON LODGE
23000 Ghost Tree Lane
Bend, Oregon 97701

OCIP Administrator
Paladin Risk Management, Limited
Thousand Oaks, California 91360
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Section 1: Introduction and Disclosures

You are a participant in the Owner Controlled Insurance Program (“OCIP”), also known as Wrap Up. Huntington Lodge project (“Project”) is the insured project of the OCIP.

The OCIP is a consolidated insurance program comprised of an insurance policy issued by an insurance carrier (“OCIP Policy”) and purchased by an Owner. It covers and its limits are shared by all Eligible Parties (as defined in Section 3 below) that are enrolled into the OCIP as described herein for the Project (“OCIP Participants”).

Your Project contract requires that you, as a Subcontractor, and your eligible sub tier contractors to participate in the OCIP.

The purpose of this manual is to guide you through the various areas of the OCIP and to provide highlights of your responsibilities and obligations under this OCIP. This manual also provides information about who to contact for further information about the OCIP.

The following topics are covered:

- A description of the operation of the OCIP
- Responsibilities of the Participants involved in the OCIP
- Answers to basic questions about the OCIP
- Sub tier Contractor Enrollment Forms

Please make sure that everyone in your organization, including your attorneys and brokers take the time to understand how this OCIP works, and how it differs from other traditional insurance programs and even other OCIP programs. Each enrolled party (“OCIP Participant”) must rely solely upon its own review and analysis of the OCIP Policies. Every OCIP Participant is responsible for understanding the amount limits, nature, type or extent of the OCIP’s coverage and/or its possible applicability to any potential claim or loss. The OCIP Policies and the OCIP Participant’s executed Subcontract Agreement (“Agreement”) are the best sources for the actual terms, coverages and obligations of this OCIP. If there is any conflicting information amongst this manual, the OCIP Policies, or any contract, the OCIP Policies then the contracts will govern. This manual does **NOT** provide coverage interpretations, or answers to specific claims questions.



Section 2: Goals of the OCIP

The primary goal of the OCIP is to centralize the general liability insurance for risks arising out of the Project's construction. The objective is to be able to respond to covered general liability claims (such as property damage and bodily injury claims) in a unified fashion.

By providing a unified response to handling claims, the OCIP is intended to:

- Reduce disputes between OCIP Participants.
- Reduce litigation expense traditionally required to allocate fault among OCIP Participants. Respond to potential claims prior to litigation.
- Manage claims with one team of insurers, investigators and defense counsel. Promote the team concept required for quality control during construction.

Enrollment

Enrollment into the OCIP is required, but not automatic, for Eligible Parties. The enrollment process is summarized as follows:

- Subcontractor executes the Subcontract Agreement (“Agreement”).
- Subcontractor provides Contractor with Certificate of Insurance evidencing required insurance coverage, along with Additional Insured and Waiver of Subrogation endorsements, where required by the Agreement.
- Owner or Contractor authorizes OCIP Administrator to enroll into the OCIP eligible Subcontractor and/or its sub tier contractor of any level.
- OCIP Administrator issues Enrollment Certificate to Subcontractor and its sub tier contractors; a copy of the Certificate is sent to the Contractor and OCIP Broker.

As indicated, an OCIP Participant must comply with certain insurance requirements as set forth in its Agreement. For purposes of information only, the coverage required is set forth below in “**Other Required Coverages**” under Section 4 (OCIP Participant Responsibilities).

The highlights of this OCIP are as follows:

- One insurance policy lists all enrolled OCIP Participants as named insureds.
- Multi-unit housing is covered under the OCIP.
- The OCIP is for this Project only; limits are available for covered losses until exhausted.
- The OCIP Policies’ available limits, shared among OCIP Owner, Project Developer, its enrolled Subcontractors and their sub tier contractors of all level, and other eligible Participants are:

Designated Project-Name	Huntington Lodge
Type of Project	Condominiums
Number of Units	104
First Named Insured	Pronghorn Intangibles
Primary Insurance	
Insurance Carrier	Navigators Specialty Insurance Company
Policy Period	7/22/2016 – 7/22/2018
Policy Number	SF16CGL199638IC
Limits	\$5,000,000 Each Occurrence \$5,000,000 General Aggregate \$5,000,000 Products-Completed Operations Aggregate
Deductible	\$25,000 per occurrence

- Owner shall be responsible for payment of insurance premiums for the Wrap Up Policy. Subcontractors and any of its sub-tier contractors shall contribute the equivalent amount that its individual general liability policy, in place at the time of signing the Agreement, would charge to cover its Contract Award as well as any loss charges included in the bid to offset deductibles or SIRs in excess of \$25,000. Please refer to your Project Agreement.

Insurance Credits

The costs for insurance coverage of the type provided by the OCIP shall be deducted from compensation payable to OCIP-eligible enrolling and Enrolled Subcontractors and enrolling and Enrolled Sub-subcontractors by one or more OCIP Deducts (as defined below) in the manner set forth in the agreement.

Calculation and Collection of Insurance Credits

In order to verify the initial Insurance Credit amounts and/or rates (and any subsequent Insurance Credits), enrolling and Enrolled Subcontractors of all tiers shall submit all documentation reasonably requested by Owner and/or OCIP Administrator in connection therewith.

The costs of OCIP Coverages shall include insurance premiums, related taxes and assessments, markup on the insurance premiums and losses retained through the use of a self-funded program, self-insured retention or deductible program. Each Subcontract shall identify the amount attributable to the cost of the OCIP Coverages. The cost of OCIP Coverages shall also include expected losses within any retained risk (first dollar cost).

Enrolling and Enrolled Subcontractors of all tiers hereby represent and warrant that all insurance cost information submitted to Owner or to the OCIP Administrator to calculate any OCIP Deducts is or shall be accurate and complete.

Enrolling and Enrolled Subcontractors of all tiers further acknowledge and agree that Owner is entitled to and may collect, from time to time, additional Insurance Credits resulting from any scope changes, additional work, inaccurate assumptions in the initial Insurance Credit, or from information discovered during any audits which justify the taking of additional Insurance Credits.

OCIP Deductible

The Wrap Up Policy requires satisfaction of a per occurrence deductible in the amount of \$25,000. In the event of an occurrence during the course of construction (prior to completion and acceptance of Subcontractor's Work) or after completion of the Project, which requires Contractor to satisfy all or any portion of the deductible and which arises out of the scope of Work by or for Subcontractor, each "involved" Subcontractor shall contribute the equivalent amount of its general liability policy's deductible or SIR in place at the time of loss or \$10,000.00, whichever is greater. Please refer to your Project Agreement.

Please be advised that a copy of the OCIP Policy and a good faith estimate of the amount of available limits remaining under the policy for the Huntington Lodge Project can be provided by the OCIP Broker (upon written request):

COMPANY

Monarch Insurance Services, Inc.

PHONE

808-441-3172

CONTACT NAME	Rick Humphries	EMAIL	rhumphries@monarch-hi.com
ADDRESS	677 Ala Moana Blvd Honolulu, HI 96813	FAX	n/a

Feel free to direct any questions regarding the OCIP Policy to the OCIP Broker.



Section 4: OCIP Participant Responsibilities

General Responsibilities

During the life of these Projects, all OCIP Participants are required to comply with each and all of the requirements in their Project contract/s, whether with Owner or with Contractor, including, but not limited to, the following:

- Maintain General Liability insurance coverage for work performed away from the Project (as described below under “Other Required Coverages”) and provide necessary Certificates of Insurance to Owner/Contractor.
- Maintain Auto Liability insurance coverage (as described below under “Other Required Coverages”) and provide necessary Certificates of Insurance to Owner/Contractor.
- Maintain Workers’ Compensation insurance coverage (as described below under “Other Required Coverages”) and provide necessary Certificates of Insurance to Owner/Contractor.
- Provide timely evidence of insurance to Owner/Contractor.
- Notify Owner/Contractor immediately of any insurance cancellation or non-renewal.
- Comply with all insurance, claims reporting, safety procedures and any other duties and responsibilities outlined in your subcontract agreement with Owner/Contractor.
- Notify Owner/Contractor and Paladin Risk Management, Inc. of all sub tier contracts awarded. (See Section 8 for Sub Tier Enrollment Form.)
 - Provide accurate completion of the Sub Tier Enrollment Forms.
 - Include OCIP provisions in all contracts with sub tier contractors.

Other Required Coverages

OCIP Participants are required to maintain insurance coverage to protect themselves and Owner/Contractor against losses and liabilities arising from the OCIP Participant’s operations performed away from the Project Site/s and those losses and liabilities that are not covered under the OCIP. Please refer to the insurance specifications in your Agreement.

In summary, an OCIP Participant must secure the following insurance from a carrier rated A-, VII or better by A.M. Best and submit Certificates of Insurance evidencing coverage, including Additional Insured (AI) and Waiver of Subrogation endorsements where required:

1. General Liability insurance

- written on a full occurrence policy form, primary and non-contributory to the OCIP, and covering work and operations away from the Project (**off-site**)
- With minimum limits of:
\$1,000,000 Each Occurrence

\$2,000,000 General Aggregate
\$2,000,000 Products/Completed Operations Aggregate

- Policy must contain AI and Waiver of Subrogation endorsements naming as additional insured/endorsee:
 - a. Pronghorn Intangibles
 - b. Griffin Construction, LLC

2. Auto Liability insurance

- Cover “any auto” or for all owned, non-owned, leased and hired automobiles, trucks, trailers, and semi-trailers, including but not limited to any machinery or apparatus attached thereto
- With minimum combined single limit of \$1,000,000 per accident for bodily injury and property damage
- Policy must contain AI and Waiver of Subrogation endorsements naming as additional insured/endorsee:
 - a. Pronghorn Intangibles
 - b. Griffin Construction, LLC

3. Workers’ Compensation insurance

- Meet minimum statutory requirement Meet minimum statutory requirement, including Longshoremen’s and Harbor Worker’s Act, Jones Act, or other maritime law coverage when work is performed adjacent to a body of water
- Employer’s liability coverage with minimum limits of:
 - \$500,000 Bodily Injury by accident (per accident)
 - \$500,000 Bodily Injury by disease (policy limit)
 - \$500,000 Bodily Injury by disease (per employee)
- Policy must contain a Waiver of Subrogation endorsement issued in favor of:
 - a. Pronghorn Intangibles
 - b. Griffin Construction, LLC

Unless otherwise stipulated above, Subcontractor agrees to maintain continuous coverage for the above insurance, including all required endorsements, as required, during the entire course of Subcontractor’s Work and through the warranty period as agreed upon between Contractor and Subcontractor, and during the term of the OCIP, whichever ends later.

Owner and Contractor reserve the right to disapprove the use of any construction participants that are unable to meet insurance requirements. Certificates of Insurance proving compliance, along with the required Additional Insured and Waiver of Subrogation Endorsement forms, shall be made available to Owner and Contractor, its and their representatives, and Paladin Risk Management, Ltd. upon request.

Note: Prior to binding, renewal, change, or replacement of coverage, construction participants will submit a Certificate of Insurance to Owner/Contractor, along with the required Additional Insured and Waiver of Subrogation Endorsement Forms, proving that coverage and limits are met as specified in this section. Subcontractor shall provide a 30-day notice of cancellation provision.

The limits of liability for the insurance required of the construction participants, as stated in the subcontract agreement, are minimum limits only and are not intended to restrict the liability imposed on the construction participants for work performed under their Construction Subcontract Agreement, or otherwise.

Enrollment of Sub Tier Contractors

Construction participants are responsible for notifying Owner/Contractor and Paladin Risk Management Ltd. of all sub tier contractors, of any level, awarded and to provide those details about their sub tier contractors as necessary to enroll them in the OCIP. Construction participants must accurately complete a Sub Tier Contractor Enrollment Form for each sub tier contract awarded. These forms must be submitted to Owner/Contractor and Paladin Risk Management Ltd., prior to mobilization to obtain coverage for eligible sub tier contractors under the OCIP. Once enrolled, each sub tier contractor will be provided with a Certificate of Enrollment as Evidence of General Liability insurance for the Project and will be a named insured on the OCIP policy.

Sub Tier Contractor's Insurance Coverage

OCIP Participants are responsible for ensuring that their sub tier contractors maintain the required insurance coverage as specified above in "Other Required Coverages" and in the subcontracts. Specifically, OCIP Participants are responsible for ensuring and monitoring that their sub tier contractors maintain and provide evidence of Umbrella and Professional Liability (if applicable), and Workers' Compensation, Auto Liability, and General Liability insurance for activities away from the Project site. Subcontractor's sub tier contractors are also to provide Additional Insured and Waiver of Subrogation Endorsements on their liability policies, as stipulated in the Agreement.

Non-eligible sub tier contractors will not be enrolled in the OCIP. OCIP Participants must also ensure and obtain evidence that its non-eligible sub tier contractors maintain and provide evidence of Umbrella and Professional Liability (if applicable), and Workers' Compensation, Auto Liability, and General Liability insurance policies, and provide Additional Insured and Waiver of Subrogation Endorsements on their liability policies, as stipulated in their Agreement with the Owner/Contractor.



Section 5: OCIP Safety Guidelines

The purpose of this Section is to provide **general** safety guidelines for the Project. Please refer to Owner/Contractor's safety program as well as your Agreement for specific details concerning your obligations to provide and maintain a safe working environment on the Project site. Should there be any conflicting information amongst this Manual, Owner/Contractor's safety program, or any contract, Owner/Contractor's safety program or contracts will govern. Paladin Risk Management, Ltd. is not in charge of each construction participant's safety program. Rather, the role of Paladin Risk Management, Ltd. is to encourage construction participants to perform their safety obligations within the objectives set forth in this Manual, state, Local – Municipal and OSHA Guidelines and Regulations.

Primary Goals

A construction safety program is designed to accomplish the following:

- Establish expectations and minimum standards to implement the safest possible work site.
- Provide uniform information to all construction participants on the site.
- Create a safety culture on the site where all construction participants are motivated to work with each other to avoid work site injuries.

Protecting people and property is the primary goal of any safety program. Reducing the negative effects of injury to persons and damage to property when an accident occurs is also very important. Learning from prior claims and using this information to prevent future injury is another key component of a safety program.

Construction Participant's Role

The key to an effective safety program is having proactive construction participants who take the initiative to prevent accidents. It is expected that potential safety hazards found to exist on the job will be promptly corrected. Formal communication will be maintained between the construction participant and Owner/Contractor regarding accident prevention and safety enforcement. Such formal communication is necessary to provide follow-up action on the part of the construction participant and to prevent misunderstandings.

Construction participants, managers and supervisors are held accountable for the safety performance demonstrated by the workers under their supervision. The construction participant is responsible for compliance with the accident prevention and safety requirements contained in this Manual, Owner/Contractor's safety program and/or its subcontract agreement. Each construction participant will:

1. Maintain a positive attitude and help promote a safe environment.

2. Demonstrate support for the safety program by having management follow the rules themselves.
3. Plan all work to minimize the chances of personal injury, property damage and loss of production efforts, while maximizing the quality of the work performed.
4. Provide consistent and continuous safety monitoring as well as communicate the results of the monitoring program.
5. Establish and maintain a system for early detection and correction of unsafe practices and conditions.
6. Maintain complete and accurate safety records.
7. Provide adequate protection to adjacent public and private properties for the safety of the public. Provide photo or video documentation of the condition of all areas susceptible to claims.

On-Site Safety Procedures

Owner/Contractor may notify the construction participant of deficiencies related to safety or other Program procedures as well as corrective actions required. Once this notice is delivered to the construction participant or the participant's representative at the Project site, this will be deemed sufficient notice of non-compliance and corrective action required. Upon receipt, the construction participant will immediately take corrective action. If the construction participant fails or refuses to take corrective action promptly, Owner/Contractor may, without prejudice to other legal or contractual rights, issue an order stopping all or part of the construction participant's work. Work will not resume until compliance is met.

The construction participants will maintain an accurate record of all accidents and incidents occurring at the Project. The construction participant will be held responsible to ensure compliance with this program by all of its sub tier contractors of any level and vendors.

Emergency Action Plan

The construction participant will implement procedures to handle emergencies created by the following:

- Injuries to workers
- Injuries to the general public on or adjacent to the Project site
- Property damage, with particular emphasis on utilities, pedestrian and vehicular routes
- Fires
- Natural disasters, such as earthquakes
- Public demonstrations, such as mobs, riots, etc.
- Bombs or other destructive threats
- Hazardous material exposures or other potential hazards that may occur at the Project site
- Severe weather, particularly lightning storms and high winds

Emergency Plan Implementation

Should an emergency occur, the construction participant will:

1. Immediately secure the area and implement the emergency action plan.
2. Notify Owner/Contractor.
3. Provide information regarding the emergency to the authorized Owner/Contractor and Program representatives only. Questions from the press and media will be directed to the Project's Safety Director.

Serious Accidents

Construction participants will issue standing orders to all supervisors directly in charge of operations that the scene of the accident will not be disturbed except for rescue or other emergency measures, until otherwise directed by Owner/Contractor. Workers of the construction participants that either witness or are a party to an accident should be detained by their respective designated supervisor at the Project site to provide detailed information surrounding the accident or loss.

Posting of Emergency Telephone Numbers

To ensure that emergency actions are promptly taken, construction participants will post emergency telephone numbers in an obvious place(s). The construction participant will designate responsible personnel to make emergency calls.



Section 6: OCIP Claims Reporting

Liability Claims

There are several different types of claims that can arise under the OCIP. Although they may be handled in a similar way, it is important to recognize the difference between the types of claims and understand how they may impact losses on the Project. This section addresses how to report claims and to whom they should be reported.

As stated throughout this Manual, it is the policy of this Project and the intent behind the OCIP to obtain the earliest notice possible of any of these claims so that immediate investigation and resolution can be attempted. This early resolution is designed to lower claims costs and to keep claims from escalating in scope and size. In order to accomplish this goal, Owner/Contractor must have notice of a claim as early as possible.

In the event of **any** accident, incident, construction participants must:

- Report it immediately to the Project Manager/Superintendent;
- Call the claims reporting line identified in Section 6 of this Manual; and
- Fill out a General Liability Notice of Occurrence/Claim and turn it into Owner/Contractor within 24 hours. A sample of this notice can be found at Section 8 of this manual.

For ease of reference, this Manual contains a Claims Reporting Guide in this Section 6, which sets forth the procedures for reporting an accident, incident or claim.

It is very important that as a representative of the Project, all construction participants refrain from offering any opinions relating to a claim or potential claim to any party without the express authorization of Owner/Contractor. Failing to abide by this rule may prejudice the investigation or the ultimate adjusting of the claim.

On-Site Automobile Claims

No coverage is provided for auto accidents/claims under the OCIP. It is the sole responsibility of each construction participant to report accidents/claims involving their vehicles to their own auto insurers.

HOWEVER, all auto accidents, incidents or claims occurring in or around the Project site must be reported to Owner/Contractor. These accidents will be investigated regarding potential liability arising out of the Project's construction activities that could result in future claims under the OCIP (e.g., due to the conditions of the roads, etc.). Each construction participant shall cooperate in the investigation of all automobile accidents.

Administrative Contacts

Paladin Risk Management Ltd. is the OCIP Administrator for the Huntington Lodge Project located at 23000 Ghost Tree Lane, Bend, Oregon 97701. The purpose of this section is to provide claims contacts for the OCIP. Any changes to the contact information in this section will be issued in

writing. Paladin Risk Management, Ltd. maintains a complete list of construction participants at all times and a list of active and inactive participants may be viewed on the wrap up web site. The name and contact information for the OCIP is as follows:

OCIP ADMINISTRATOR

PROJECT MANAGER

COMPANY	<u>Paladin Risk Management, Ltd.</u>	PHONE	<u>888.240.4431, Ext. 135</u>
CONTACT	<u>Jodi Ascencion</u>	EMAIL	<u>jodi@paladinriskmanagement.com</u>
	<u>275 E. Hillcrest Dr., Suite 215</u>		
ADDRESS	<u>Thousand Oaks, CA 91360</u>	FAX	<u>888.592.9309</u>

ACCOUNT MANAGER

COMPANY	<u>Paladin Risk Management, Ltd.</u>	PHONE	<u>888.240.4431, Ext. 123</u>
CONTACT	<u>Essie Fugate</u>	EMAIL	<u>essie@paladinriskmanagement.com</u>
	<u>275 E. Hillcrest Dr., Suite 215</u>		
ADDRESS	<u>Thousand Oaks, CA 91360</u>	FAX	<u>888.592.9309</u>

PROJECT OWNER

COMPANY	<u>Pronghorn Intangibles</u>	PHONE	<u></u>
CONTACT	<u>Ralph Giffin</u>	EMAIL	<u>Ralph.giffin@pronghornresort.com</u>
	<u>1100 Alakea Street, Ste. 2500</u>		
ADDRESS	<u>Honolulu, HI. 96813</u>	FAX	<u>n/a</u>

GENERAL CONTRACTOR

COMPANY	<u>Griffin Construction, LLC</u>	PHONE	<u>541-447-7237</u>
CONTACT	<u>Samuel Griffin</u>	EMAIL	<u>samuel@griffinconstructionllc.com</u>
	<u>1411 NW Murphy Court</u>		
ADDRESS	<u>Prineville, OR. 97754</u>	FAX	<u>n/a</u>

**OCIP BROKER
AND CLAIMS REPRESENTATIVE**

COMPANY	<u>Monarch Insurance Services, Inc.</u>	PHONE	<u>808-441-3172</u>
CONTACT	<u>Rick Humphries</u>	EMAIL	<u>rhumphries@monarch-hi.com</u>
	<u>677 Ala Moana Blvd</u>		
ADDRESS	<u>Honolulu, HI 96813</u>	FAX	<u>n/a</u>

Claims Reporting Guide

Please copy this page and provide it to each of your superintendents, foremen, crew leads, etc. to carry with them at all times. This information should also be visibly posted at the Project site.

TO REPORT A CLAIM/ACCIDENT/INCIDENT OF LOSS
AFTER REPORTING TO PROJECT SUPERINTENDENT

HUNTINGTON LODGE

Claims Reporting Line

808-441-3172

- 1) Call the claims reporting line at the number above, if an injury occurs or property damage is sustained on the Project site.
- 2) Reference your company or trade name.
- 3) Complete a General Liability Notice of Occurrence/Claim form (A sample can be found at Section 8 of this Manual).
- 4) Email or Fax the Form to:
Griffin Construction, LLC
Attention: Samuel Griffin
Email: samuel@griffinconstructionllc.com
- 5) Provide the Claims Rep with a copy of the completed Form
Monarch Insurance Services, Inc.
Attention: Rick Humphries
Email: rhumphries@monarch-hi.com
- 6) Retain a copy of the completed General Liability Notice of Occurrence for your records.



Section 7: Wrap up Frequently Asked Questions

What is a Owner Controlled Insurance Program (“OCIP”)?

A Owner Controlled Insurance Program (“OCIP”), also known as Wrap Up, is a consolidated insurance program comprised of one or more insurance policies issued by insurance carriers (“OCIP Policy”) and purchased by an Owner. The OCIP covers all enrolled construction participants, who share on the limits of the OCIP, on a given construction project.

What coverage is provided under the Huntington Lodge Project OCIP?

The OCIP provides general liability coverage for the Huntington Lodge Project and no other project. The insurance provided covers general liability exposures only. It does not cover workers' compensation, automobile liability or contractor's equipment.

Subcontractors will still be required to provide proof of their own general liability insurance for work performed away from the Project site in accordance with their written Agreement with the Contractor.

Why is a Wrap Up more effective in defending construction defect claims?

The OCIP provides a unified response to a claim. The OCIP insurance carrier provides a single defense attorney to defend the interests of the Owner/Contractor and any OCIP Participants.

In a non-OCIP claim, each Subcontractor and its sub tier contractor of any level have their own general liability policy that must respond to the claim and provide for a separate defense even if that Subcontractor or sub tier contractor is ultimately found blameless. This delays settlements and creates additional expenses in the form of deductibles, legal fees and increased insurance rates.

Another negative result of non-OCIP claims defense is that it 'pits' the Owner/Contractor against the Subcontractor and sub tier contractor when assigning a loss responsibility. In actuality, their interests should be aligned to defend against the plaintiff's allegations. Under an OCIP, there is no need to assign blame.

Who is Paladin Risk Management Ltd.?

The Owner has hired Paladin Risk Management, Ltd. as the OCIP Administrator for the Project. Paladin Risk Management, Ltd. is administering the OCIP, which includes working with Project participants to help them understand this type of insurance coverage. Paladin Risk Management, Ltd. will issue enrollment certificates and informational insurance manuals. Paladin Risk Management, Ltd. is also available to answer any questions you may have.

Can I rely upon these Frequently Asked Questions (FAQs) for advice regarding this insurance policy?

No. This guide is meant only as an overview and is not intended to change in any way or explain any coverage provided by the OCIP on behalf of the insurance carrier. You are expressly advised to read the OCIP policy yourself and seek advice from your own insurance and legal advisors.

Although **Monarch Insurance Services, Inc.** is the insurance broker for this OCIP; it is acting on behalf of the Owner and not on behalf of any other construction participant of this Project. You should consult your own advisors to assist you in understanding your rights, coverage, limits of insurance, and obligations under the OCIP.

What are the benefits of participating in the OCIP?

By participating in the OCIP, you do not have to buy additional insurance or completed operations coverage for your ongoing contractual indemnity obligations for this Project.

Another advantage to the OCIP is that the allocation of fault in a construction defect case is not necessary. Time-consuming and frustrating litigation between the Owner, Contractor, Subcontractor, and sub tier contractors of all level will be reduced significantly.

Enrolled construction participants in the OCIP are insured on the same policy. The Program insurance carrier provides a single defense attorney to defend the interests of the Contractor and any construction participants working on the Project. There is no need to allocate blame among OCIP Participants. Therefore, there is no need for separate counsel and cross complaints within the construction team.

No allocation of blame on an OCIP claim means no loss run reporting for future insurance purchasing by the enrolled construction participants.

Completed operations coverage on this Project does not have to be purchased by OCIP Participants. There is no need to worry about the future insurance market and exclusions for this Project.

OCIP projects may be excluded from your normal general liability insurance policy for a possible premium and deductible savings.

What if I use sub tier contractors?

As set forth in the contract documents, sub tier contractors of all level are subject to the provisions of the OCIP. The OCIP Administrator, Paladin Risk Management, Ltd., will assist you in maintaining compliance. All sub tier contractors gaining access to the Project site must also be enrolled in the OCIP prior to commencing work. It is your responsibility, as Subcontractor and per your Agreement with the Contractor, to make sure your sub tier contractors are enrolled and meet all the requirements stipulated in your Agreement with the Contractor, including required insurance. There are no exceptions.

Can I still get sued on this Project?

It is possible. As pointed out in your Agreement with Contractor, you are only released from your indemnity obligation when the OCIP covers the claim. If you fail to perform your Agreement in an appropriate or timely manner, Owner/Contractor can still hold you accountable. You are required to meet all of your contractual obligations. The OCIP changes only the insurance coverage for the policy's covered claims. We still expect strict adherence to construction standards and practices.

What happens if there is an injury or claim?

As set forth in the OCIP Insurance Manual, all accidents, injuries or claims (even if they are not covered by the OCIP) **must be** reported within 24 hours to the on-site Project Manager/Superintendent's office, as well as to Owner/Contractor, using the General Notice of Occurrence/Claim Form. (This can be found in Section 8 of this Manual). It is imperative that all claims, accidents and/or incidents on this Project site are documented and reported to the appropriate parties. If you are sued for something you believe is covered by the OCIP, immediately turn in the claim to the on-site Project Manager/Superintendent's office and to Owner/Contractor.

When does my coverage become effective?

You are enrolled into the OCIP when the OCIP Administrator, Paladin Risk Management, Ltd., issues a Certificate of Enrollment form for your organization. You should not begin work until you have been enrolled.

Who should I call if I have questions?

If the questions pertain to OCIP coverage or procedures please call the OCIP Administrator, Paladin Risk Management, Ltd. For contact information, please see Section 6 of this Manual.



Section 8: OCIP Participant and Policy Forms

SUB TIER CONTRACTOR ENROLLMENT FORM

OWNER CONTROLLED INSURANCE PROGRAM (OCIP)

PROJECT: HUNTINGTON LODGE

In order to enroll your sub tier contractors into the OCIP, you **must** complete and return this form to the Contractor and OCIP Administrator (Paladin Risk Management, Ltd) as soon as you award a sub tier contract. Please Note: A separate form must be completed for each sub tier contractor.

SUBCONTRACTOR COMPANY: _____

WE **WILL NOT** HIRE ANY SUB TIER CONTRACTORS ON THIS PROJECT. (Check if applicable.)

WE **WILL** HIRE A SUB TIER CONTRACTOR ON THIS PROJECT. (Complete below.)

Sub Tier Contractor Company: _____

Contact Person: _____

Address: _____

Telephone: _____

Email _____

Facsimile: _____

Type of Work Performed _____

Sub Tier Contractor's Trade License # _____

***** PLEASE RETURN A COMPLETED FORM VIA EMAIL or FAX TO: *****

GRIFFIN CONSTRUCTION, LLC

ATTN: SAMUEL GRIFFIN

EMAIL: SAMUEL@GRIFFINCONSTRUCTIONLLC.COM

**GENERAL NOTICE OF OCCURRENCE / CLAIM FORM
HUNTINGTON LODGE PROJECT**

Date of Incident: _____ Time of Incident: _____

Location of Incident: _____

Description of Incident: _____

Police Notified: _____ Police Report # _____

CLAIMANT INFORMATION / INJURED PARTY

Name: _____

Address: _____

Telephone # _____

DESCRIPTION OF INJURY or PROPERTY DAMAGE

Injured Party Taken To: _____

WITNESS INFORMATION

	Witness # 1	Witness #2
Name		
Address		
Telephone #		
Comments:		

Information Completed By: _____ Date: _____