

Roofer's Covenant with South Carolina Homeowner

To: Request Original Date: August 1, 2010

Address: _____, _____

From: Academy Roofing Inc. Warren McGrew III, President
Company Pres. / Vice Pres. / Secy / Representative (circle one)

Address 1413 Highway 86, Piedmont, SC 29673 Phone (864) 845 - 5060

The company is a DBA, Corporation (Inc.), Limited Liability Company (LLC), Partnership, or Sole Proprietor.
If DBA, the owner's name is: _____

The company is registered with and authorized to conduct business in South Carolina by:
 The Secretary of State of South Carolina, or County: _____ for d/b/a/ on _____

The current company ownership has existed for 11 years, or _____ months. Owner: Warren McGrew III

State License #: 115847 w/ dollar amount up to \$ 100,000.00,

or Registered #: _____ w/ bond amount up to \$ _____,

The company has 50+ employees.

I agree to furnish a copy of the business license and show fees paid.

- 1) The company has South Carolina approved Workers Compensation Insurance. A copy of the insurance certificate is available from our insurance agent Cherokee Insurance at (800) 476 - 5199. This policy covers all workers on the job, including employees and subcontractors.
- 2) The company has General Liability Insurance. A copy of this insurance certificate is available from our insurance agent Sterling Risk Advisors at (866) 294 - 7217. This policy covers all injuries or property damage occurring on the job not covered by Workers Compensation Insurance.
- 3) The company has instructed and advised its sales reps that covering or paying a homeowner's deductible is a method of insurance fraud.
- 4) The company has instructed and advised its sales reps that invoicing a customer one amount while agreeing to be paid a lesser amount is insurance fraud.
- 5) The company includes upgrades on the invoice shown to the insurance company and does not pay for yard signs to offset deductibles.
- 6) The company, its officers and owners are using only one company for their residential construction work, keeping only one set of books, so you are truly protected by workers comp and general liability insurance. If 2 or more companies are owned with the similar names, all names should be listed on the insurance certificates.
- 7) The company has not assigned to an independent company the authority to do sales, use its name to run a business, or purchase materials for customers outside of company control.
- 8) The company does not request customers to make checks for services and materials payable to individuals. Rather, all checks are made payable to the company named on the contract to replace or repair the roof.
- 9) Before final payment is requested, the company will provide notarized release of lien for all materials and labor, conditioned on payment in full being received.

Academy Roofing Inc.

Roofing Company

 President

Signature of authorized representative of Roofer

Confirm copies attached (1)County Business (2)Workers Compensation Certificate (3)Liability Insurance Certificate

Confirm this copy of "Roofer's Covenant to South Carolina Homeowners" is correct and is the latest version at www.RooferCovenant.com

8-1-2010

Why you must have the **Roofer's Covenant with South Carolina Homeowner**

Please note: *Reading this may shake you up, but informed consumers make the best decision.*

As a result of storm damage, dozens of out of state storm chasers are here. Along with businesses formed by local individuals, some are startup companies trying to do it the right way. Some are experts in deception.

A number of contractors do one or more of the following:

- Do not register their company with the Secretary of State, or use a DBA (Doing Business As) and you have no clue who or where they are from.
- Are from out of state and have only been in business 2 years in the state they are from. They will impress you with multiple state locations that may be UPS Mailbox Centers, along with nice vehicles and a great web site.
- Actually have only 1-2 or no employees.
- **Are not state licensed or registered or bonded with the state, they operate in 1 of 4 ways.**
 1. \$200 contracts or less
 2. Registered with state, up to \$5,000
 3. Registered with specific bond amount
 4. Licensed with specific maximum contract amount.
- Have no workers compensation. If a worker or salesman is injured you are exposed. Have no liability insurance to protect you and your home.
- Do have insurance on one company, but use 2 companies with similar names to avoid Workers Comp and Liability insurance expenses. Example: Perfect Roofing Inc. and a DBA named Perfect Roofing. If an accident occurs and fraud is discovered, you may not be protected. This saves huge money and will result in further savings on the County Business License, where it is based on total sales. All company names used are on the insurance certificates.
- Have subcontracted their sales, production, and supervision to an out of state company for a percentage and have surrendered their customers to others care.
- Benefit from other huge dollar savings by cheating the IRS, using subcontract sales reps and office staff, etc. who should be employees. When eventually caught or exposed, they close down, create another company with family member or friend and continue the game.

As a result of these practices, these companies are able to discount the low benefits the insurance companies are paying. They have been known to offer “we cover your deductible” which is fraud or “free 30 year upgrade” or “we will pay you the deductible amount, for displaying a yard sign” which are other ways to cheat the insurance company. If you participate in these scams on your insurance company, you can be held personally responsible.

What can you do? Obtain a copy of the **Roofer's Covenant With South Carolina Homeowner** totally free and available for download at www.RoofersCovenant.com. **RoofersCovenant.com** is a free consumer advocate site which is committed to educating homeowners. We can reach only a few. You can spread the word. Warn your friends with email, tell you neighbors and homeowner association president. Print multiple copies and pass them out. You will make a difference!

Thank you,

Your Covenant Roofing Contractor