

News Release

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Hotchkiss Insurance Agency, Inc. Announces Its Home Builders Workers' Comp Group Sees Marked Growth After Education Series

DALLAS, TX—November 13, 2006- Hotchkiss Insurance Agency, Inc. (HIA), a leading provider of custom designed insurance programs and services to business, associations and franchise operations announced today that the workers' compensation educational series presented throughout metro areas of the state by Texas Mutual Insurance Company and HIA resulted in a sharp increase of purchasing group policyholders in recent months. The group, Texas Home Builders Workers' Compensation Group (THB-WC) includes home builders for whom specific protective legislation was established by the Texas Department of Insurance (TDI) in 1991. The legislation specifies that in Texas, a home builder may provide workers' compensation and employers' liability insurance for their employees without becoming unduly responsible for workers' compensation coverage for subcontractors or employees of subcontractors.

The Texas Department of Insurance (TDI) allows employers in similar businesses to form purchasing groups to help reduce their workers' compensation insurance premiums. Underwritten by Texas Mutual Insurance Company, all eligible policyholders accepted into the group receive an immediate premium discount of 10.5%. In addition, members have an option of joining a network of health providers formed by Texas Mutual and net an additional 12% savings on their premiums, for a combined savings of 22.5%.

Following the seminar series that highlights controlling costs by participating in an approved health care network, safety and loss prevention, and fighting fraud, the group, formed in September of 2005 has seen a triple digit percentage of increase over the past year. The THB-WC group is open exclusively to agents with homebuilder expertise. As home builders face increased pressures to maintain profit margins during a national reduction of home building starts these savings can be substantial and have a considerable impact on the bottom line. *Texas Mutual*[®] gives each group member a premium discount based on the

group's premium volume. Members may also qualify for *Texas Mutual*[®] individual and a group dividend.* A safety program with a comprehensive safety manual designed specifically for the home builder is delivered to every policyholder in the THB-WC Purchasing Group.

“Once the home builder understands the liability for employees’ injuries and looks at the reduced cost offered by an affinity purchasing group, the business decision is clear,” says Anne Davis, vice president of sales and marketing for HIA, Dallas. “Transferring the risk of medical and lost wage expenses to an insurer, as well as the legal fees, becomes the clear choice for a business owner once the laws and cost of insurance is understood.”

For more information on the Texas Home Builders Workers’ Compensation Group, contact Sue Treece via email at streece@hiainc.com or (972) 512-7768. For a list of qualifying TDI classification codes for the Texas Home Builders Workers’ Compensation Group, or for more information about Hotchkiss Insurance Agency, Inc. go to www.hiainc.com.

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*Texas Mutual Insurance Company notes that dividends are not an automatic benefit of coverage, and TDI must approve all dividend plans.

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