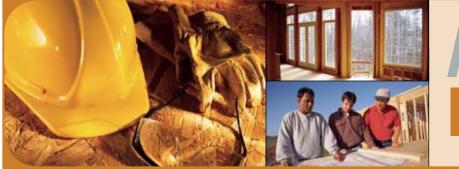
News From Builders Mutual Insurance Company

FALL 2007



MUTUAL INTERESTS

» Builders Mutual Receives "Best Places to Work™" Award for 2007



» Builders Mutual President/ CEO John Q. Beard displays proof of the recent distinction bestowed upon the company by the Triangle Business Journal.



Where Builders Come First®

PO Box 150005 | Raleigh, NC 27624-0005 800.809.4859 | www.buildersmutual.com Builders Mutual has long been known as the company "Where Builders Come First." Is it a conflict of interest to also be known as the company where employees come first? Not according to the *Triangle Business Journal*, which recently recognized Builders Mutual as one of their "Best Places to Work™" for 2007.

Only 45 companies were selected and while an undeniable feeling of pride has swept through the corridors of Builders Mutual, many feel the recognition is not only well-earned, but the culmination of years of effort.

"This has been a goal of ours for three years now," said Charles Burton, AVP of Human Resources. "We had a distinct plan that focused on increased communication, monitoring our employees' perceptions and enhancing our pay and benefits structure."

"The customer service campaign that began several years ago, Service Outside the Box,' has necessarily turned inward," added Mike Gerber, VP/CMO. "Our culture has been evolving to meet the needs of our customers. To provide our customers with the best possible service, we need the best, most well-trained and happiest employees."

How to achieve happiness? "We have had to come to a collective agreement on what happiness means," added Gerber. And that doesn't mean free soft drinks in the break room or "Hawaiian Shirt Fridays." "An employee is happy," he said, "when an optimal work-life balance has been achieved. We respect our employees and aim to provide them with opportunities that will enable them to grow and thrive."

"Insurance companies aren't generally known as great places to work," laughed Burton. "We actively tried to reverse that image." He has seen a marked shift in attitudes inside Builders Mutual in his four years with the company. "By placing more emphasis on employee satisfaction, opening our ears to suggestions and ideas and then empowering people to implement them, we've become our own best customer."

Nowhere is the company's commitment to its employees' well-being more evident than in programs such as Builders University for Employees, a series of classes in customer service and continuing insurance education and Builders Mutual in Motion, a program designed to encourage employees to stay fit and healthy. It seems that happiness and productivity go hand in hand.

"So many companies get it wrong," observed Gerber. "By focusing solely on profits, you burn out your employees. Eventually, they see that they're not the priority. But, if you give them the tools and environment to achieve their goals, they come to equate the company's success with their own. Profits take care of themselves."

"This can be an important recruitment tool for us," said Burton. "And, as we attract and retain more people, we can use this distinction as the foundation for a regional or even national reputation. We will continually be raising the bar for ourselves."

Gerber agrees, "It's a nice pat on the back, but we'll never stop looking for ways to improve." The greatest feeling of satisfaction has come from the fact that Builders Mutual's "Best Place to Work[™]" status is the result of an extensive online questionnaire created by the newspaper, but filled out by employees of Triangle-area companies.

"It's the highest praise possible," Gerber stated, "when your employees themselves say their company is a great place to work."



FaxonGillis Homes Ranked #1

by Professional Builder Builders Mutual is not the only company recognized recently as an outstanding workplace. One of our policyholders, FaxonGillis Homes in Cordova. Tennessee. received a similar award from Professional Builder magazine*. Professional Builder solicited responses to a 32-question online survey about how employees feel about the home building company for which they work. They received almost 1,600 individual responses, representing 81 identified companies. Once the submissions were tallied, FaxonGillis was the clear winner! In this day and age, employees want and need more from their employers. Work-life balance, flexible work time and a supportive work place are important and according to the results, FaxonGillis provides many of these things and more for their extremely satisfied employees. According to the survey responses, a few of the things FaxonGillis does to create a great working environment are:

• Encourage teamwork and collaboration (100 percent), employ strong, ethical principles in its business practices (93.3 percent) and create a climate of mutual respect among employees of different backgrounds (86.67 percent). The averages for these questions were 70.3 percent, 70.6 percent and 62 percent respectively. • Encourage continuing education and offer full-time pay at part-time hours when needed to attend classes.

» FaxonGillis Homes - Professional Builder Magazine's Top Ranked Best Workplace

> • Actively support community outreach, public service and charitable work (100 percent).

Additionally, FaxonGillis scored well above average on job satisfaction questions, with 100 percent of respondents strongly agreeing that they would recommend the company as a good place to work (compared to the average of 72.4 percent) and that achievements are recognized and celebrated where they work.

Builders Mutual would like to congratulate FaxonGillis and its employees on a job well done. Having a successful company depends on great leadership, great employees and a great working environment. Obviously, FaxonGills has figured out the way to create, develop and combine all three!

To read the complete results provided in Professional Builder, go to housingzone.com/ probuilder and look in the archives of the August 1, 2007 edition for Professional Builder Best Workplaces 2007.

- *Professional Builder Best Workplaces 2007, Professional Builder, August 1, 2007 ed. http://www.housingzone.com/probuilder/article/
- ca6463000.html?nid=2469&rid=1916573784>

» Builders Mutual — Your Passport to Safety



If you missed the fifth annual 21st Century Building Expo and Conference in September, you missed a grand event! This year, the Expo was bigger than ever; booth space on the Expo floor sold out weeks before the show and classes during the Conference were full of attentive attendees. Builders Mutual was front and center on the Expo floor and saw many policyholders and agents during the two-day event. More than 150 brave Expo attendees climbed the rock wall stationed in our booth. Others watched safety harness demonstrations* and talked with Risk Management staff and representatives from Miller® Fall Protection, who were on hand to discuss safety options they offer as well

as those offered through Safety STUFF on buildersmutual.com. The BMIC company car wrap was another popular attraction and attendees watched as our black Jeep® was transformed into a mobile advertisement.

If you missed the show this year, make sure you mark your calendars for September 10-12, 2008 when the 21st Century Building Expo and Conference will make its sixth appearance at the Charlotte Convention Center!

*Builders Mutual would like to thank Smith Phillips Building Supply for donating and building our truss structure and Sunbelt Rentals for our scaffolding structure.

FALL 2007

FALL 2007



» NCHBA Executive Committee members celebrate with the HBA of Durham, Orange & Chatham Counties as they receive one of three STARS Awards. From left: Ray Rhodes, Nick Tennyson, Frank Wiesner, Chad Collins, Larry Howard, Dave Hausfeld, and Paul Mullican.

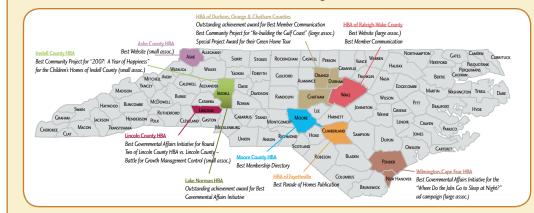
» Seeing Stars

Ever wonder what 400 people in Hawaiian shirts might do if left to their own devices in downtown Charlotte, North Carolina? Why, have a party, of course! The only question is, "Who are we celebrating?"

The answers came all night long at the Caribbean-themed STARS Awards held during the 21st Century Building Expo and Conference. Home builders associations and members from across North Carolina hoped to hear their company's name follow, "And the STARS Award goes to..."

The STARS Awards honors the industry's leaders in numerous categories, from exceptional architecture and floor plans to marketing and advertising. Some of the biggest rivalries are found in the final few awards given to the local home builders associations. Their staff and volunteers live and breathe membership benefits and the satisfaction of knowing they've outdone a neighboring association gives members a great feeling of pride in their local HBA—at least until the following year's awards. HBAs all across the state have made their members take note of their impressive accomplishments.

Don't miss out on the exciting work your local HBA does for you. Get involved, take advantage of the trend-setting benefits your association offers and maybe your association will be shining at the STARS Awards in 2008.



» Highlight of the Night

"We have many dedicated and deserving employees who give their all on a daily basis to serve Builders Mutual and its customers, but none surpasses Jerry in his commitment to us, the NCHBA [North Carolina Home Builders Association], our agents, and policyholders." What could make John Q. Beard, President/ CEO of Builders Mutual say this? And who is the infamous "Jerry?"

Let's first introduce Jerry Cowan, BMIC's central North Carolina territory manager and employee for more than 10 years. To say he's "involved" in the HBA would be an understatement. Beyond the local level, he has made his impact as:

- NCHBA state membership chair (five years)
- National Association of Home Builders (NAHB) associates committee member (four years)

• NAHB membership committee member (six years—the maximum allowed!)

This year, the STARS Awards introduced a new category: Distinguished Associate Member of the Year. Our own Jerry Cowan goes down in NCHBA history as its first recipient.

In accepting this high honor, Jerry spoke tearfully to the audience, "I love this association." It's a small wonder anyone heard him over the roaring crowd, who acknowledged him with a standing ovation.

But Jerry can't steal the whole spotlight, however well deserved. In Tennessee's Clarksville-Montgomery County HBA, Builders Mutual agent Dana Dewberry of Dunn Insurance, Inc. holds the honor of HBA Associate of the Year for her work at the local level. Congratulations to both Jerry and Dana!

» Jerry Cowan, BMIC's central NC territory manager, turns 15 minutes of fame into a whole year's worth of excitement as Distinguished Associate Member of the Year. His wife, Elaine Cowan, accompanies him.



Where Builders Come First®

PO Box 150005 | Raleigh, NC 27624-0005 800.809.4859 | www.buildersmutual.com PRSRT STD US Postage PAID Raleigh, NC Permit #1

» Builders Mutual: Partnering with Habitat for an Affordable Future

As part of our Shared Direction, Builders Mutual makes a concerted effort to, "...exemplify responsible corporate citizenship," in each of our states. Part of this effort has been accomplished through our relationship with Habitat for Humanity. Recently, **Builders Mutual and First Pioneer** Insurance Agency, Inc. in Aberdeen, North Carolina, joined forces to provide Builders Risk insurance coverage for Habitat for Humanity of Moore County. The coverage will help Habitat successfully complete 16 homes in the coming year. The first home, located in Robbins, North Carolina was dedicated on October 5, 2007. A small contingency of BMIC staff were in attendance for this exciting occasion. Builders Mutual is proud to be a partner in making the dream of homeownership a reality!



» John Beard, BMIC President/CEO, Susan Eubanks Tucker, homeowner, and Clayton Evans, First Pioneer Insurance Agency, Inc., stand on the porch of Tucker's newly dedicated home.

New IN THIS ISSUE:

