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RECOMMENDED TERMS & CONDITIONS
Rebecca Shoemaker
Director of Claims Services
Risk Suppression Partners
SAN ANTONIO, TX
AFSA
American Fire Sprinkler Association

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Rebecca Shoemaker
RISK SUPPRESSION PARTNERS LLC
Rebecca is the Director of Claims Services at Risk Suppression Partners, bringing with her almost three decades of hands-on insurance claims experience leading complex claims investigations, developing strategic claims-handling approaches, and building strong relationships with stakeholders across the insurance industry.
Rebecca holds the Associate in Claims (AIC), Associated in Claims Management (AIC-M) and Chartered Property Casualty Underwriter (CPCU) designations from The Institutes, and is an active member of the CPCU Society and AFSA. She has been a Presenter at the ClaimsXChange Annual Conference for claims professionals, and debuts this year as a Presenter here at AFSA45, demonstrating her commitment to professional excellence and continuous learning.
Prior to joining Risk Suppression Partners, Rebecca handled over 500 general liability claims in the Fire & Life Safety sector. Her dedication to excellence and client advocacy aligns seamlessly with RSP's mission to support the Fire & Life Safety industry through specialized insurance solutions and superior service.
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Rebecca@risksuppression.com | Direct: 484-924-8038

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HOUSEKEEPING ITEMS
TO RECEIVE CREDIT FOR THIS SEMINAR, YOU MUST:
1) scan badge upon entry,
2) attend seminar in its entirety, and,
3) submit evaluation within 14 days
No individual or entity - including a presenting author - may electronically record or broadcast any portion of this AFSA training without prior written consent of AFSA. Unauthorized recording (audio, video, still photography, etc.) of this presentation without the express written consent of AFSA is strictly prohibited.
National Fire Protection Association
The authority on fire, electrical, and building safety
DISCLAIMER
This seminar and its content is not a formal interpretation issued pursuant to NFPA regulations.
Any opinion expressed is the personal opinion of the author and presenter and does not necessarily present the official position of the NFPA and its Technical Committees.
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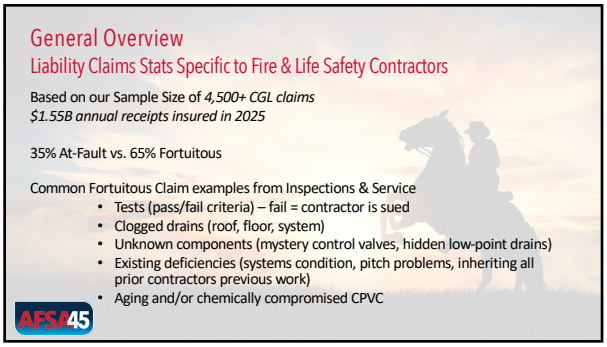
General Overview
Liability Claims Stats Specific to Fire & Life Safety Contractors
Based on our Sample Size of 4,500+ CGL claims
$1.55B annual receipts insured in 2025
35% At-Fault vs. 65% Fortuitous
Common Fortuitous Claim examples from Inspections & Service
Tests (pass/fail criteria) – fail = contractor is sued
Clogged drains (roof, floor, system)
Unknown components (mystery control valves, hidden low-point drains)
Existing deficiencies (systems condition, pitch problems, inheriting all prior contractors previous work)
Aging and/or chemically compromised CPVC
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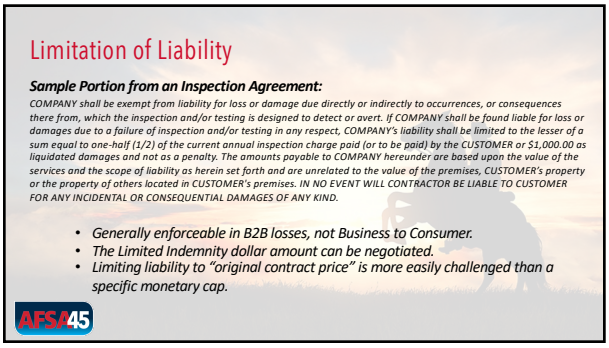
Limitation of Liability
Sample Portion from an Inspection Agreement:
COMPANY shall be exempt from liability for loss or damage due directly or indirectly to occurrences, or consequences there from, which the inspection and/or testing is designed to detect or avert. If COMPANY shall be found liable for loss or damages due to a failure of inspection and/or testing in any respect, COMPANY's liability shall be limited to the lesser of a sum equal to one-half (1/2) of the current annual inspection charge paid (or to be paid) by the CUSTOMER or $1,000.00 as liquidated damages and not as a penalty. The amounts payable to COMPANY hereunder are based upon the value of the services and the scope of liability as herein set forth and are unrelated to the value of the premises, CUSTOMER's property or the property of others located in CUSTOMER's premises. IN NO EVENT WILL CONTRACTOR BE LIABLE TO CUSTOMER FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND.
Generally enforceable in B2B losses, not Business to Consumer.
The Limited Indemnity dollar amount can be negotiated.
Limiting liability to "original contract price" is more easily challenged than a specific monetary cap.
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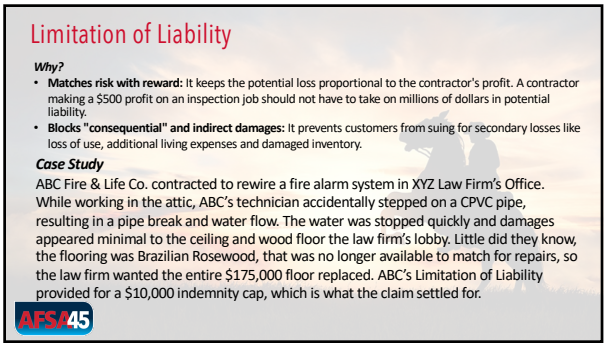
Limitation of Liability
Why?
Matches risk with reward: It keeps the potential loss proportional to the contractor's profit. A contractor making a $500 profit on an inspection job should not have to take on millions of dollars in potential liability.
Blocks "consequential" and indirect damages: It prevents customers from suing for secondary losses like loss of use, additional living expenses and damaged inventory.
Case Study
ABC Fire & Life Co. contracted to rewire a fire alarm system in XYZ Law Firm's Office. While working in the attic, ABC's technician accidentally stepped on a CPVC pipe, resulting in a pipe break and water flow. The water was stopped quickly and damages appeared minimal to the ceiling and wood floor the law firm's lobby. Little did they know, the flooring was Brazilian Rosewood, that was no longer available to match for repairs, so the law firm wanted the entire $175,000 floor replaced. ABC's Limitation of Liability provided for a $10,000 indemnity cap, which is what the claim settled for.
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Waiver of Subrogation

Sample Portion from a Service Agreement:

The CONTRACTOR is not an insurer against loss or damage. Sufficient insurance shall be obtained by CUSTOMER to cover the premises (and property therein) where the work will be performed. CUSTOMER agrees to rely exclusively on CUSTOMER's insurance to recover for injuries or damage in the event of any loss, damage or injury to the premises or property therein. CUSTOMER, for itself and all others claiming by or through it under this Agreement, releases and discharges CONTRACTOR from and against all damages covered by CUSTOMER's insurance, including damages within any applicable deductible, it being expressly agreed and understood that no insurance company, insurer or other entity/individual will have any right of subrogation against CONTRACTOR.

- *The "workhorse" of contract defenses, used most often, successful at eliminating subrogation claims where sufficient property insurance is available, and difficult to contest.*
- *Sometimes works in conjunction with the Limitation of Liability clause to cover all or a portion of the Customer's property insurance deductible in the case of true, uncontested liability on the Contractor.*

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Waiver of Subrogation

Why?

- **Matches risk with reward:** Again, keeping the risk of liability proportional to the profit received from the job.
- **Speeds up dispute resolution:** If a problem occurs, both sides know the maximum financial stakes from the beginning which helps to settle disagreements quickly out of court instead of spending years on expensive litigation.
- **Efficient and timely repairs:** Damages are resolved by the property insurance carrier who is most capable of mitigating the loss and getting their Insured back to normal.

Case Study

ABC Fire & Life Co. contracted with Mr. Moneybags for alterations to 2nd floor office space. He leases the first floor to multiple medical offices. Four months later while the offices were closed for the holiday, a water loss occurred as the result of a separated joint. His office and all spaces below sustained heavy water damages. Early investigation suggested ABC's work was tampered with after they left but Moneybags was demanding that ABC handle the loss. The subrogation waiver directed the claim to Mr. Moneybags property insurance so that repairs could begin asap, while the loss was investigated and concluded, and the property insurer could not sue ABC when the claim concluded.

TO BE CONTINUED…

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Third-party Defense & Indemnification

Sample Portion from a Service Agreement:

CUSTOMER agrees to indemnify, hold harmless and defend CONTRACTOR, to the fullest extent permitted by law, against any and all losses, damages, costs, including expert fees and expenses including reasonable defense costs, arising from any party, including any and all third party claims for personal injury, death, property damage or economic loss, including specifically any damages resulting from the exposure of workers to Hazardous Conditions whether or not CUSTOMER pre-notifies CONTRACTOR of the existence of said hazardous conditions, arising in any way from performance of the Work or the Work whether caused in whole or in part by CONTRACTOR, whether such claims are based upon contract, warranty, tort (including but not limited to active or passive negligence) strict liability or otherwise. CONTRACTOR reserves the right to select counsel to represent it in any such action.

- *A "Third-party" is anyone who brings a claim and is not a party to the contract agreement. Accordingly, the Limitation of Liability and Subrogation Waiver do not apply to any claim they might bring.*
- *The Customer's liability insurance carrier is notified and works directly with the third-party or their insurance company to resolve their claims.*

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Third-party Defense & Indemnification

Why?

- **Matches risk with reward:** Noticing the trend? Once again, the goal is to keep the risk of liability exposure proportional to the profit received from the job. It's not reasonable to expect the Contractor to be aware of the unknown, un-assessable liability risks from third-parties that they may not even know exist.
- **Shifts the burden:** Even claims that can be defended will still cost thousands to defend if a lawsuit is filed. This clause shifts this responsibility to the party who is properly insured for the exposure, and third party claims can be addressed faster while the investigation for negligence is still ongoing, potentially avoiding the need for litigation later.

Case Study

Going back to the water loss at Mr. Moneybag's office building… Claims were presented from 5 different medical offices, each claiming loss of business income during repair time and serious damages to medical equipment, for a total of over 6 million in total damages. With the third-party defense and indemnification agreement in place, the 5 medical offices claims were tendered to Mr. Moneybags' liability insurance carrier, who took over handling and resolving them all.

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Don't Get Caught In A Compromising Position

Avoid these Common Mistakes which can compromise your protection:

- **Get the Contract Signed and Dated**

  All contract terms and conditions are unenforceable without your Customer's signature agreeing to them.

  Any undated signatures can be contested, and any signatures dated post-work are not valid as acceptance of the terms and conditions.

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Don't Get Caught In A Compromising Position

Avoid these Common Mistakes which can compromise your protection under these contract defenses:

- **Do Not Admit Fault**

  Instead of: *"I'm so sorry, I screwed up. We will make sure you're taken care of."*

  Say: *"I'm really sorry about this, I have to report this to the main office and they will contact you about how to handle everything."*

  Admitting fault is not legally binding, however, it can cause a lot of friction with your customer when it comes time to discuss the loss and assert a subrogation waiver, limitation of liability, or third-party indemnification defense.

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Don't Get Caught In A Compromising Position

Avoid these Common Mistakes which can compromise your protection under these contract defenses:

- ***Do Not Contract With Mitigation Companies, Fire Watch, or any other Vendors to Assist With Damages***

  Contractors should not sign agreements to repair property that they do not own. You could be held responsible for paying the mitigation work regardless of the outcome of the liability investigation, or despite the contract protections in place.

  Mitigation Contractors are aggressive about having their contract signed before beginning work, because they have the same contract terms in place for their own protection.

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NEW CONSTRUCTION

- ***Your subcontract with the GC generally contains these same terms and conditions, but favoring the GC.***
- ***The Prime Contract may contain builders risk coverage with mutual subrogation waivers that supercede the Subcontract language.***

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Additional Clauses

Explanatory and Limiting

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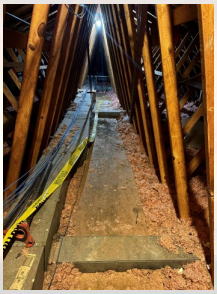
Inspection Agreements – Contractor Limiting

- **Scope of Inspection** – Describes services being provided and not provided. System functionality is determined but is not an evaluation of system design, a system survey, or an engineering analysis. Customer must provide needed access.
- **Attics** – Excludes inspections in attics unless safe and specifically listed in the agreement.



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Inspection Agreements – Customer Responsibilities

- **Water Discharge** – Makes customer aware of their responsibility to provide drainage and control water damage.
- **Notification –** Customer is responsible for notifying all parties of any tests.
- **System Components & Dry Pipe System(s)** – Requires customer to identify & locate all components including auxiliary drains for dry & preaction systems.
- **Temperature** – Requires customer to maintain 40° F for all water filled pipes & components.
- **NFPA Standards** – Advises customer of their need to comply with NFPA standards.

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Customer Work Orders – Contractor Limiting

- **Scope of Understanding** – Contractor will only perform the services described.
- **Equipment Disconnections** – Advises the owner of systems out of service during the work.
- **Existing Systems** – Contractor isn't responsible for the condition of the existing system.
- **Water Supply** – Contractor isn't responsible for the corrosive properties of the water supply.

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Questions?
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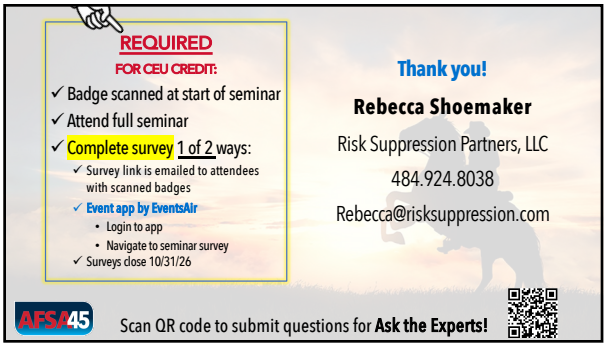
REQUIRED
FOR CEU CREDIT:
✓ Badge scanned at start of seminar
✓ Attend full seminar
✓ Complete survey 1 of 2 ways:
✓ Survey link is emailed to attendees with scanned badges
✓ Event app by EventsAir
• Login to app
• Navigate to seminar survey
✓ Surveys close 10/31/26
Thank you!
Rebecca Shoemaker
Risk Suppression Partners, LLC
484.924.8038
Rebecca@risksuppression.com
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Scan QR code to submit questions for Ask the Experts!

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2027 Training Schedule

WEBINARS

1/6	Updates to NFPA 20
1/20	Calculating Pressure Reducing Hose Valves
2/3	Consumer Alert: Nitrogen in Sprinkler Systems
2/17	Reviewing Hydraulic Calculations
3/3	Updates to NFPA 13, 2028 Ed.
3/17	Updates to NFPA 13R & 13D, 2028 Eds.
4/7	Topic Coming Soon
4/21	NFPA 25: Roles & Responsibilities
5/5	Standpipe Flow Test Procedures
5/19	Storage 101
6/2	NFPA Technical Meeting - Voting Guide
6/16	Topic Coming Soon
6/30	Topic Coming Soon
7/7	Updates to NFPA 14, 2027 Edition
7/21	Adjacent Hazards & Design Methods
8/4	Acceptance Testing
8/18	Modifications to Existing Systems
9/22	Topic Coming Soon
10/6	Seismic 101
10/20	Proposed Updates to NFPA 25, 2029 Ed.
11/3	Evaluating Fire Pump Flow Tests
11/17	Top 10 Tech Reviews
12/1	Designing Water Storage Tanks
12/15	Pump Room Layout

PROGRAMS

Feb 9 - Mar 5 Apr 20 - May 14 Aug 3 - Aug 27** Oct 26 - Nov 19	Beginning Design School*
Apr 26 - May 7 Nov 1 - 12	Intermediate Design School*
Feb 8 - 10** Apr 12 - 14 Jul 12 - 14 Oct 11 - 13	Sprinkler Hydraulics Calculations Workshop
Apr 19 - 21 Oct 18 - 20	Advanced Hydraulics Calculations Workshop
Feb 11** Apr 30 Jul 23 Sep 24	Introduction to the Fire Sprinkler Industry
Mar 1 - 3 May 17 - 19 Aug 16 - 18 Oct 18 - 20**	NFPA 25 Essentials Workshop
Jun 7 - 10 Sep 20 - 23	Experienced Inspector Skills Lab
Mar 4 - 5 May 20 - 21 Aug 19 - 20 Oct 21 - 22**	NFPA 25 Fire Pump Workshop
Spring Summer Fall	ITM Inspector Development Program* *This program is 20 months.*

** Hybrid course **At General Air Products Lab, Exton, PA*

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September 8-11	Manchester Grand Hyatt San Diego, CA

For More Details Visit:
firesprinkler.org

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Dates subject to change. Programs subject to minimum registrations.

rev 9/14/2026

Virtual Instruction Path (VIP)

for Sprinkler Fitting Apprentices

Level 1 - Begins January 2027

Level 2 - Begins February 2027

Level 3 - Begins January 2027

Level 4 - Begins March 2027

www.firesprinkler.org/VIP

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HANDS-ON WORKSHOPS FOR 2027

FEATURING AFSA'S TRAINING LAB

NFPA 25 Essentials Workshop

Mar | May | Aug | Oct

Description: Understand roles, responsibilities, and NFPA 25 ITM procedures through hands-on testing of wet systems, dry systems, and fire pumps.

NFPA 25 Fire Pump Workshop

Mar | May | Aug | Oct

Description: Develop practical NFPA 25 fire pump ITM skills, including no-flow and full-flow testing, water supply graphing, and performance evaluation.

Introduction to the Fire Sprinkler Industry

Feb | Apr | Jul | Sep

Description: This course is designed for those new to the industry. An introductory, wide-ranging 8-hour course that provides a broad overview of core fire sprinkler industry concepts for those new to the field.

Experienced Inspector Skills Lab NEW

Mar | Sep

Description: Take your ITM expertise beyond the basics. Designed for experienced technicians, this course combines focused classroom instruction with hands-on system lab training to strengthen your application of current NFPA 25 inspection, testing, and maintenance requirements. Refine fire sprinkler testing practices, improve documentation, deliver more consistent service, and help reduce liability while reinforcing knowledge commonly covered on certification exams.

Learn more about AFSA's fire sprinkler lab featuring functional risers, a spray room, fire pumps, and an interactive classroom.

firesprinkler.org/lab