



February 2017

WEEK SIX OF THE MONTANA LEGISLATIVE SESSION	1
2 FREE MARKETING PROGRAMS YOU MIGHT NOT KNOW EXIST	2
E&O Q&A WITH MARY LAPORTE	3
CREATE AN OPTIMAL BRAND EXPERIENCE	4
PHOTOGRAPHY, ACCOUNTING, JEWELRY, CRAFTS...	5
NEW E&O LOSS CONTROL WEBINAR DEBUTS IN APRIL!	5
EDUCATION CALENDAR: MARCH-APRIL	6
2015 LEGISLATIVE CHANGES WEBINAR	7
2017 CISR SCHEDULE	7

WEEK SIX OF THE MONTANA LEGISLATIVE SESSION

by Roger McGlenn

We are in week six of the Montana Legislative session. Activity continues to increase as some important legislative dates approach.

- February 18 is the final day that a committee may request bills or resolutions.
- February 23rd is the last day that general, non-revenue, bills can be introduced.
- March 1st is the transmittal date, where general bills must be transmitted to the other house or the general bill dies. It is also the last day to request appropriation bills.

Following are 3 bills the legislative committee feels are the most significant, with links to the current bill text, description and status.

[HB 137](#) Generally revise securities and insurance laws pertaining to the State Auditor. The bill passed second reading in the House and now has been referred to

(H) Appropriations Committee and scheduled for hearing 2/9/17. The IIAM supports the Bill as amended.

[HB 138](#) Revise licensing of general insurance agent laws. Passed the House; Heard in (S) Business and Labor 1/31/17; Insurance Department bill to clarify MGA language and appointments of producers by affiliation. The Bill has been amended and passed the Senate and now returned to the House with amendments. The IIAM Supports with as amended in the Senate.

[HB 291](#) Prohibit certain underwriting factors for private passenger insurance. Scheduled for hearing in (H) Business and Labor 2/16/17, IIAM will oppose this bill.

[Click here](#) for a full list of bills we're watching. If you have any questions, please [email Roger McGlenn](#).

[Return to table of contents](#)

2 Free Marketing Programs You Might Not Know Existed

by Sydney Roe, TrustedChoice

School is so different than life. In school you'd tell your guidance counselor you wanted to be "X." They'd click a few buttons and BOOM! Out came a customized 4-year roadmap, telling you all the classes you needed to take to reach your goal.

If only it was always that easy.

Now you want to become a better insurance marketer, but how? Honestly, the answer is different for everyone. Maybe you read every Agency Nation article in existence and then start Googling (or Binging?), maybe you find a thought-leader and mimic, maybe you take an awesome class, maybe you start talking to other insurance marketers, maybe you love video and hate writing...the possibilities are endless.

But *if* you need a jumpstart, check out these free marketing programs from Independent Agent carriers. (*Hint, hint:* Ask other carriers you work with if they have digital marketing programs too.)

BRICKS & CLICKS™

Who: Safeco Insurance

What: A Turnkey Digital Marketing Solution For Busy Independent Agents

The Bricks & Clicks program provides a range of digital marketing programs and services for agents appointed with Safeco Insurance and Liberty Mutual Commercial Insurance.

Programs and services include digital marketing consulting, in-person training workshops, online classes, webinars, on-demand training videos, options to build an agency website, search engine marketing, analysis tools, and social media content.

How to get started: To get started with Bricks & Clicks visit www.SafecoNow.com/BricksAndClicks or email BricksAndClicks@safeco.com. The website includes links to each program and service mentioned above and contact information for each member of the team.

"WE'RE HERE FOR YOU"

Who: Travelers

What: Fully-Customizable Digital Marketing Campaign

As advocates for the consumer, agents need to be able to communicate their value to clients and prospects. The "We're Here For You" digital marketing campaign conveys that message and highlights the benefits that a trusted agent provides.

Through videos, banner ads, and social media posts, the campaign conveys how agents are uniquely capable of advising customers on important insurance topics. The campaign materials contain minimal Travelers branding and are fully customizable with agent information.

How to get started: Give your local Travelers rep a quick call!

THE EXTRA

Learn how to close more business on the phone with [The Power of 30 Seconds](#). No, it's not a "marketing program," but it's a tool that will help you convert the business you drive to your phone lines.

To all the insurance agents out there who want to crush the internet; sometimes you don't need to know *how*. You just have to *start*.

[Return to table of contents](#)

Question:

As a service to our customers, we always read the insurance requirements in any contract before issuing a Certificate of Insurance. We want to assure our customer that the insurance provided meets the requirements.

How should we handle situations when an additional insured is requesting a 30-day notice of policy cancellation? If we point out that the coverage is not in compliance, the insured may lose out on the contract. Since the carriers will not do this, could our agency send the additional insured notice of cancellation? The problem we see is that we do not always know that a policy is going to be cancelled 30 days out. Any suggestions?

Teresa, Florida

Answer:

Teresa, your question raises so many concerns, but I will try to address each of them in this short, condensed response.

First of all, the fact that you are reading the insurance requirements of contracts is a good practice, but only if this is done by someone highly skilled and experienced in this area. This person needs to have an in-depth understanding of the coverage form, including an understanding of how the policy will respond to complex contractual situations.

You state that the certificate holders are additional insureds. There are two ways they can become an additional insured:

E&O Q&A

By Mary LaPorte, CPCU, CIC, LIC, CPIA



- 1) By being named in the policy by endorsement. Most carriers are not willing to name an additional insured without charging a premium for the endorsement. It will depend on the language in the endorsement whether the additional insured will receive a notice of cancellation. Some carriers may even be willing to send a 30-day notice, perhaps excepting non-payment of premium.
- 2) By blanket additional insured endorsement. The ISO form **CG 20 33 Additional Insured – Owners, Lessees or Contractors – Automatic Status When Required in Construction Agreement With You** endorsement requires that the additional insured status applies only *“when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy”*. Other carrier endorsements may be more restrictive. Since the carrier does not know the

[\(Continued on page 4\)](#)

[Return to table of contents](#)

CREATE AN OPTIMAL BRAND EXPERIENCE.



Trusted Choice® will pay you to enhance your brand. We will reimburse a portion of expenses incurred in 2017 by Trusted Choice agencies in cobranding, advertising and marketing materials; and in creating or updating a digital presence to include the Trusted Choice logo, link to the Trusted Choice website and Pledge of Performance.

Contact Trusted.Choice@iiaba.net or go to independentagent.com/mrp for more information today.



[\(Continued from page 3\)](#)

identity of every party covered under the endorsement, they certainly are not sending notice of cancellation to anyone.

If your agency were to take on the role of notifying additional insureds of cancellations, it would greatly increase your E&O exposure. You would need a fool-proof system to assure that none were missed.

As you already stated, in many situations, you often don't even know about a cancellation in sufficient time to do so.

An additional insured would consider the fact that you didn't know about a cancellation to be a poor excuse for non-compliance with the requirement.

The better alternative is to have a frank conversation with your insured as you explain the problem. If your carrier is willing to endorse the additional in-

sured to the policy, you must explain that the endorsement will result in an additional premium.

Depending on the carrier, this may or may not result in the additional insured receiving a 30-day notification.

If this is not an option, advise your customer that the notice cannot be provided. A good risk management practice is to put this statement in writing to your insured.

See Mary's new book: **"Mission: EXCELLENCE – Creating an Internal E&O Loss Control Program"**

For more information go to Mary's website at www.lpinsuranceconsult.com

Mary LaPorte is a consultant and educator with a strong background in Errors & Omissions loss prevention. Forward your E&O questions to marylp@lpinsuranceconsult.com.

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[Return to table of contents](#)

PHOTOGRAPHY, ACCOUNTING, JEWELRY, CRAFTS...

Insureds often believe their existing homeowners or apartment-dwellers policy will cover any loss or damage to their business equipment, furniture and supplies in the event of fire, theft or other catastrophe, when in fact, those policies usually explicitly exclude coverage for any business exposures on their premises.

RLI's Home Business Policy provides affordable coverage for those people who operate small home-based businesses.

It is specifically targeted for over 100 retail and services risks operated from the insured's residence and presenting minimal product liability, professional liability and/or off-premises exposures.

fact: nearly 60% of home-based business owners don't have insurance

opportunity: rli home business insurance

insureds, Money & Securities, Electronic Data Processing Equipment (varies by state of risk)

Benefits For You

- RLI is admitted and A.M. Best "A+" rated
- Up to \$100,000 (varies by state of risk) comprehensive coverage for business personal property both on- and temporarily off-premises
- Up to \$5,000 per person for medical payments to customers injured on the insured's premises
- Optional coverage available for Additional Insureds, Money & Securities, Electronic Data Processing Equipment (varies by state of risk)
- **Benefits For You**
 - No minimum volume requirements or access fees
 - Easy underwriting
- Self-rating application
- Direct bill at new business and renewal via credit card and ACH
- Availability regardless of the carrier providing the homeowners or apartment-dwellers coverage
- Competitive rates starting at just \$125 annually, depending on the location and type of business.

Benefits for Your Clients

- Provides coverage for over 145 classes of small retail & service-type home-based businesses
- Affordable rates
- General liability coverage up to \$1 million
- Loss of business income protection up to 12 months available
- Broad coverage with off premises theft included

For more information contact Joni Pancoast at (406) 442-9555 extension 104 or processing@iiamt.org.

[Return to table of contents](#)

NEW E&O LOSS CONTROL WEBINAR DEBUTS IN APRIL

Join us in April for our new webinar, **E&O Roadmap to Policy Analysis**.

This course is designed to guide experienced professionals step by step through the process of reading policy language, applying a basic coverage analysis to look for possible gaps in coverage, and understanding advanced coverage issues.

It will explain what to look for in terms of wording, punctuation, and formatting, including negative and positive implications of specific wording.

In addition, the course will address E&O loss control issues and help the agency look at ways to obtain and retain business.

Approved for Swiss Re/Westport policyholder 10% loss control credit.

[Return to table of contents](#)



February - April Schedule

Date & Time	Topic	CE	LINK	Location
2/23/2017 8:00AM - 11:30AM	E&O—Meeting the Challenge of Change-Part 1 (3 hrs)	3	REGISTER	Online
2/23/2017 12:00PM - 3:00PM	E&O – Meeting the Challenge of Change-Part 2 (3 hrs)	3	REGISTER	Online
2/23/2017 1:00PM - 3:00PM	The Ultimate Account Manager- Part 1	2	REGISTER	Online
2/27/2017 7:00AM - 9:00AM	General Homeowners Section II, Part II	2	REGISTER	Online
3/2/2017 8:00AM - 10:00AM	Insurance and the Property Lease	2	REGISTER	Online
3/7/2017 7:00AM - 1:45PM	E&O – Meeting the Challenge of Change	6	REGISTER	Online
3/9/2017 9:00AM - 10:00AM	Personal Fraud Protection	1	REGISTER	Online
3/9/2017 1:00PM - 2:00PM	Personal Fraud Protection	1	REGISTER	Online
3/16/2017 8:00AM - 2:45PM	E&O – Meeting the Challenge of Change	6	REGISTER	Online
3/16/2017 8:00AM - 11:00AM	National Flood Insurance Program Basic Course – 2016	3	REGISTER	Online
3/16/2017 11:30AM - 12:30PM	Business Fraud Protection	1	REGISTER	Online
3/20/2017 7:00AM - 9:00AM	General Homeowners Section II, Part I		REGISTER	Online
3/22/2017 8:00AM - 11:00AM	Insurance Claims That Cause Problems!	3	REGISTER	Online
3/22/2017 9:00AM - 12:00PM	Certificates of Insurance – Emerging Issues and Other	3	REGISTER	Online
3/23/2017 8:00AM - 10:00AM	The Ultimate Account Manager-Part 1	2	REGISTER	Online
3/23/2017 1:00PM - 5:00PM	Ethics in Today’s Changing Times	4	REGISTER	Online
3/27/2017 7:00AM - 9:00AM	General Homeowners Section II, Part II	2	REGISTER	Online
3/27/2017 9:00AM - 4:00PM	Farm Liability (AFIS Part 2 - no prerequisite)	6 pending	REGISTER	Great Falls
3/28/2017 8:00AM - 11:30AM	E&O – Meeting the Challenge of Change-Part 1 (3 hrs)	3	REGISTER	Online
3/28/2017 12:00PM - 3:00PM	E&O – Meeting the Challenge of Change-Part 2 (3 hrs)	3	REGISTER	Online
3/30/2017 8:00AM - 5:00PM	Insuring Personal Auto Exposures (CISR)	7	REGISTER	Bozeman
3/30/2017 8:00AM - 11:30AM	E&O – Meeting the Challenge of Change-Part 1 (3 hrs)	3	REGISTER	Online
3/30/2017 12:00PM - 3:00PM	E&O – Meeting the Challenge of Change-Part 2 (3 hrs)	3	REGISTER	Online
4/4/2017 7:00AM - 1:45PM	E&O Risk Management – Meeting the Challenge of	6	REGISTER	Online
4/4/2017 1:00PM - 4:00PM	National Flood Insurance Program Basic Course – 2016	3	REGISTER	Online
4/11/2017 8:00AM - 5:15PM	Insuring Commercial Property (CISR)	7	REGISTER	Great Falls
4/12/2017 1:00PM - 5:00PM	Ethics in Today’s Changing Times	4	REGISTER	Online
4/17/2017 7:00AM - 9:00AM	General Homeowners Section II, Part I	2	REGISTER	Online
4/18/2017 9:30AM - 10:30AM	Business Fraud Protection	1	REGISTER	Online
4/20/2017 8:00AM - 2:45PM	E&O Risk Management – Meeting the Challenge of	6	REGISTER	Online

(Continued on page 8)
[Return to table of contents](#)

Date & Time	Topic	CE	LINK	Location
4/21/2017 9:00AM - 12:00PM	Certificates of Insurance – Emerging Issues and Other Stuff that May Scare You!	3	REGISTER	Online
4/24/2017 7:00AM - 9:00AM	General Homeowners Section II, Part II	2	REGISTER	Online
4/25/2017 8:00AM - 5:15PM	Commercial Casualty I (CISR)	7	REGISTER	Billings
4/25/2017 8:00AM - 11:30AM	E&O Risk Management – Meeting the Challenge of Change-Part 1 (3 hrs)	3	REGISTER	Online
4/25/2017 12:00PM - 3:00PM	E&O Risk Management – Meeting the Challenge of Change-Part 2 (3 hrs)	3	REGISTER	Online
4/26/2017 8:00AM - 11:00AM	Insurance Claims That Cause Problems!	3	REGISTER	Online
4/27/2017 8:00AM - 11:30AM	E&O Risk Management – Meeting the Challenge of Change-Part 1 (3 hrs)	3	REGISTER	Online
4/27/2017 12:00PM - 3:00PM	E&O Risk Management – Meeting the Challenge of Change-Part 2 (3 hrs)	3	REGISTER	Online
4/27/2017 1:00PM - 3:00PM	The Ultimate Account Manager-Part 1 - Characteristics of the Ultimate Account Manager	2	REGISTER	Online

[Return to table of contents](#)



2017 CISR SCHEDULE

Date	Title	CE	Link	Location
3/30/2017 8:00AM - 5:15PM	Insuring Personal Auto Exposures (CISR)	7	REGISTER	Bozeman
4/11/2017 8:00AM - 5:15PM	Insuring Commercial Property (CISR)	7	REGISTER	Great Falls
4/25/2017 8:00AM - 5:15PM	Commercial Casualty I (CISR)	7	REGISTER	Billings
5/18/2017 8:00AM - 5:15PM	Personal Residential (CISR)	7	REGISTER	Helena
6/6/2017 8:00AM - 5:15PM	Commercial Casualty II (CISR)	7	REGISTER	Kalispell
9/7/2017 8:00AM - 5:15PM	Commercial Casualty I (CISR)	7	REGISTER	Missoula
9/21/2017 8:00AM - 5:15PM	Agency Operations (CISR)	7	REGISTER	Bozeman
10/3/2017 8:00AM - 5:15PM	Insuring Commercial Property (CISR)	7	REGISTER	Kalispell
10/19/2017 8:00AM - 5:15PM	Commercial Casualty II (CISR)	7	REGISTER	Helena
11/16/2017 8:00AM - 5:15PM	Insuring Personal Auto Exposures (CISR)	7	REGISTER	Great Falls
12/7/2017 8:00AM - 5:15PM	Personal Residential (CISR)	7	REGISTER	Bozeman

[Return to table of contents](#)