



April 2015



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Montana Will Be Well Represented at IIABA National Legislative Conference by Bob Biskupiak, IIAM Executive Director

The Montana Big "I" will have a strong contingency traveling to Washington DC in the upcoming weeks. Our **National Director John Braut, State InsurPAC Chair Perry Wolfe, and State Executive Bob Biskupiak**, will be joined by 4 young agents as over 1,000 insurance agents converge on our nation's capital April 22nd – 24th.

The Young Agents attending include:

- Tom Chamberlin
Mandeville Insurance (Columbus)

- Joe Menyhart
W.A. Mitchell Agency (Miles City)
- Jade Boggs
The Insurance Store (Baker)
- Jeremy Norby
Seitz Insurance (Sidney)

Our group will meet with Senators Jon Tester and Steve Daines, and Representative Ryan Zinke to discuss insurance issues impacting our industry. In addition to our meetings on the "hill" the conference in-

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cludes a Company CEO panel and several key congressional keynote speakers. Please take a minute to watch this [You Tube video on the conference](#).

For those of you who have traveled to Washington DC, you know how costly our nation's capital can be.

However, our Young Agents Committee decided a few years back that increasing the participation of agents at the National Legislative Conference was a key goal of the committee.

We are pleased to have been awarded the following scholarships this year to help defray the costs:

- Jeremy Norby, 2015 Maurice Herndon Scholarship (\$1000).
- Tom Chamberlin, Grassroots Scholarship (\$1000)
- Perry Wolfe, Grassroots Scholarship (\$1000)
- Young Agent First Time Attendee Scholarship (two, \$500 each)

Montana was very fortunate to receive this financial assistance. Montana's strong support of InsurPAC definitely helped the secure the scholarships.

Just another reason to [contribute to InsurPAC!](#)

Watch for a recap of the conference in May's issue of TAGS. [Return to table of contents](#)

Looking Ahead...Always by Deanna M. Darnielle, IIAM President, Darnielle Insurance

CONVENTION

Have you saved the date of September 21 and 22, 2015, for our convention this year here in Billings?

We have reserved the Northern Hotel and are working toward our keynote speaker, considering a family friendly off premises event one evening, and discussing the awards dinner.

I have not had the opportunity to stay at the newly refurbished Northern Hotel, but I have toured the facility and it is beautiful! A real treat for our attendees.

The annual Darrell Bjornson Memorial Golf Tournament may be held in conjunction with the convention this year.

We're looking at the local Par 3 which would be great for your family! (And for us gals who don't have the gorilla swing it takes to golf the long holes at standard courses.)

The Par 3 is a course owned and operated by the Exchange City Golf Corporation which was developed years ago when my father was in the Downtown Exchange Club of Billings.



It's built on City property, and surplus funds are used to support public access parks and recreation facilities here in the area. It's also used extensively for youth golf programs, and is maintained beautifully. This will be a terrific opportunity to support MIEF's professional development scholarship, and the local community.

PRIVACY AND CYBERLIABILITY

Recently we've undertaken the review of several Cyber Liability offerings here at Darnielle Insurance.

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Be aware that the rush to provide coverage in light of all the issues we see almost daily in the news has produced an array of manuscript policies. It's important to realize – as always – that price is not everything.

Some of the coverage available within a BOP or package policy may not be very comprehensive, and the "Other Insurance" clause may cause some complication if your client purchases a stand-alone product.

We're of the mind that we would try to remove any optional Cyber Liability or Data Breach coverage offered under the package or the BOP if our client does purchase a stand-alone policy.

Be aware that coverage is offered for the First Party, for loss of digital assets, business interruption, and the costs of the event (notification, computer forensics, etc.). Some policies also contemplate the Third

Party claim that could come from a person who has been personally affected by the data breach that happened at your insured's business.

As insurance agents it doesn't take long to think about the data we have gathered and what it takes to protect it. What if you were hacked? You may think that small business may not be a juicy target, but again....just think about the personal data you have collected in order to properly underwrite insurance.

Stay tuned to future issues of TAGS, our association [website](#) and [Facebook page](#) for more information on this emerging issue.

And don't miss our exclusive webinar, "**Data Breach, The New Wild West? Cyber Risk Exposures and Insurance**". It's scheduled for July 15th. Pending CE approval in Montana. You can [register here](#).

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Single Most Significant Change to ISO Homeowner's Program In 40 Years

by Bill Wilson, IIABA VU Director

Big "I" Virtual University experts have been educating agents on the "Where You Reside" homeowners insurance issue since 2001, providing a "[Featured Resources](#)" area in the VU for members.

In 2005 the IIABA Technical Affairs committee (TAC) began meeting with ISO to discuss this coverage issue. In November 2014 we were able to reach a negotiated agreement on changes to ISO's Homeowners program.

The countrywide ISO filings effecting this change have been made with an effective date in most states of October 1, 2015. The forms changes include a new mandatory endorsement, an optional broadening

endorsement, and a nonfiled notice/questionnaire form.

The April 17, 2015 issue of The [VUpoint newsletter](#) (free) will provide a detailed overview of the forthcoming change to ISO's Homeowners program, perhaps the single most significant HO change in 40 years.

IIABA will also present a [free webinar on July 8th](#) to further explain the significance of this change and reveal what the TAC plans to do to further address this issue with carriers, advisory organizations such as ACORD, regulators, the media, and consumers.

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IIABA Governmental Affairs Team At Work

by John Braut, National Director, Wolfe-Daniels Agency

First off, we want to thank all of you who have contributed to InsurPAC over the years. Montana has earned the prestigious Eagle Award for the 4th consecutive year.

Only a handful of states achieve this status and it certainly brings a lot of recognition to Montana agents. Perry Wolfe will be receiving this award on behalf of the association in two weeks while attending the IIABA National Legislative Conference in Washington DC.

We can all surmise the purpose of InsurPAC is to support efforts to improve the insurance environment so we can better serve our customers. However, do we really understand the efforts made by the Big “I” Governmental Affairs team?

A communication was recently circulated that demonstrates a typical 3 day span in Washington DC. The governmental affairs team lead by Charles Symington includes Wyatt Stewart, Nathan Riedel, John Prible and Jen McPhillips



Day One, Evening:

- Big “I” cohosted a fundraising dinner for Rep. Stephen Fincher (R-TN) a Member of the House Financial Services Committee (Wyatt Stewart attending).
- Big “I” cohosted a fundraiser dinner for Senator Tim Scott (R-S.C.) a Member of the Senate Banking Committee and former independent/Allstate insurance agent (Nathan Riedel attending).

- Big “I” hosted a fundraising dinner for House Majority Leader Kevin McCarthy (R-CA) (Charles Symington attending).

Day Two

- Big “I” cohosted a fundraising breakfast with Chief Deputy Whip Patrick McHenry (R-NC) as the guest for Rep. French Hill (R-AR) a new Member of the House Financial Services Committee and former community banker/ insurance agent (Charles Symington attending)
- Big “I” participation at a kitchen cabinet breakfast meeting with DNC Chair Debbie Wasserman Schultz (D-FL) (John Prible attending).
- Big “I” participation at a fundraising breakfast for Rep. Ann Wagner (R-MO) a Member of the House Financial Services Committee (Wyatt Stewart attending).
- Big “I” cohosted an afternoon insurance industry “meet and greet” with new Insurance Subcommittee Chairman Blaine Luetkemeyer (R-MO) with all new and many current Republican Members of the House Financial Services Committee (Charles Symington and Wyatt Stewart attending).
- Big “I” involvement at NRCC reception where approximately 40 Members of Congress were in attendance (Charles Symington and Wyatt Stewart attending).

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- Big “I” hosted a fundraising dinner for new Insurance Subcommittee Chairman Luetkemeyer (R-MO) (Charles Symington attending).
- Big “I” cohosted a reception for Senator Chuck Schumer (D-NY and #3 in Senate D leadership) (John Prible and Jen McPhillips attending).

Day Three

- Big “I” participation at NRSC political briefing (Nathan Riedel and Charles Symington attending).
- Big “I” cohosted a leadership pac fundraiser for Senator Gary Peters (D-MI) – good timing on this (John Prible and Jen McPhillips attending)

- Big “I” cohosted a fundraising dinner for Sen. Mark Kirk (R-IL) a Member of the Senate Banking Committee (Nathan Riedel attending).

The above is merely a snapshot of the “political” events that your team participated in. It does not include the Hill meetings/lunches with Members of Congress and staff or the same with industry counterparts that weren’t fundraisers.

Advocacy by your association is as strong as ever. Help us make it a 5th straight Eagle Award for Montana and contribute to InsurPAC now.



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SAVE THE DATE! TRUSTED CHOICE JUNIOR GOLF CLASSIC

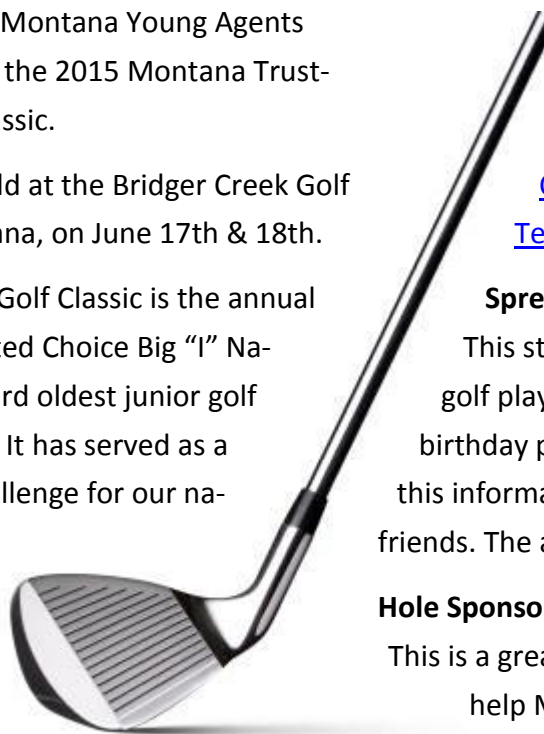
by Kerri Emmons, Membership & Marketing Director

It is GOLF season! And the Montana Young Agents have been busy organizing the 2015 Montana Trusted Choice Big “I” Junior Classic.

The tournament will be held at the Bridger Creek Golf Course in Bozeman, Montana, on June 17th & 18th.

The Trusted Choice Junior Golf Classic is the annual state qualifier for the Trusted Choice Big “I” National Championship, the 3rd oldest junior golf event in the United States. It has served as a national championship challenge for our nation’s most accomplished junior golfers since 1969.

In 2014 Montana sent four junior golfers to the national tournament in Virginia. Hear what two of



those players had to say about playing at the national level. (Links open in YouTube)

[Coral Schultz](#)

[Teigan Avery](#)

Spread the Word

This state tournament is open to any junior golf player who has not reached his/her 19th birthday prior to August 6th, 2015. Please share this information with your clients, family and friends. The application is available [here](#).

Hole Sponsorships Available

This is a great way to promote your agency as well as help Montana youth attend the National Big “I” Tournament. Contact [Bryan Hall](#) at (406) 922-6036 for more information.

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Industry Representatives Recognized by Legislature

by Bob Biskupiak, IIAM Executive Director

Camp Mak-A-Dream was honored on Friday, March 6th at the Montana Legislature. Six members of the legislature, from both the House and the Senate, signed a joint proclamation in honor of Camp's 20th Anniversary!



Along with leadership and staff, representatives from the insurance industry were also recognized for their efforts in Camp Mak A Dream's success. **Chuck Mazurek, Tom Downey, Colleen Powers and Bob Biskupiak**

A big "thank you" to Debby Barrett (President of the Senate), Austin Knudsen (Speaker of the House), Matthew Rosendale (Senate Majority Leader), Keith Regier (House Majority Leader), Jon Sesso (Senate Minority Leader) and Chuck Hunter (House Minority Leader) for sponsoring the proclamation!

were present on the floor of the House of Representatives for the proclamation ceremony.

Chuck Mazurek has orchestrated an annual float trip for teen agers and young adults suffering from cancer for the last 18 years. Thanks to all who have contributed to this worthwhile effort over the years!

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A blue rectangular banner with white text and a large white Facebook 'f' logo on the right side. The text reads: 'Like us on Facebook for info on products, events, industry news and much more! Click Here >>'.

Rick Mart Scholarship Sends Young Agent to Sales & Leadership Conference

by Natalia Rogers, Education Director

In March, new member and young agent Justin Ross, Treasure State Insurance, was able to attend the Sales and Leadership Conference with the assistance of this scholarship.

This conference is a perfect opportunity to meet fellow agents, create connections with our carrier partners, and receive timely sales and technical insurance training.

Since it's inception, the scholarship in memory of independent agent Rick Mart has provided financial

assistance for four Young Agents to attend their first Big "I" event. We encourage all Young Agents to look into this scholarship opportunity for the next Big "I" event. [Download application here.](#)

Please help us perpetuate Rick Mart's support of the independent agency system. Donate today. Contact Natalia Rogers at (406) 442-9555 extension 106 for more information.

MIEF is a 501(c)3 corporation. Scholarship donations are tax deductible.

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Q. “I am having a claim problem. A client had a pole barn collapse with the snow load. He was storing two very nice boats in the building. One is a fishing boat the other a very nice pontoon.

The first problem was they had to be removed from the building and finding a place to store them the balance of the winter proved to be difficult if not impossible. This is in a very rural area.

The best solution was to store them outside and shrink wrap them. The adjuster said they will not pay for this. I could find no language in the boat policy stating the insured has a duty to protect the property or anything like that.

“The second issue was the boat carpets are covered with broken glass shards. The company will not replace the carpet claiming using a vacuum cleaner is all they will do. I ran this past some of our other companies and they said they would never do this due to the liability exposure.

“The adjuster did not seem very interested in talking to me about what their policy states. No I’m not kidding. It was as odd of a conversation as I have ever had. Any thoughts?”

A. I don’t see anything in the policy language that definitively supports either position on replacing vs. vacuuming the carpet. The policy does say it only covers “direct” damage, but it’s debatable what constitutes “direct” damage.

If the insured vacuums the carpet and can demonstrate that there are still glass slivers in it, I think that physical impairment is “direct” damage and the insurer is obligated to fix it so that it is no longer impaired and has been restored to its useful purpose at the time of loss.

Q&A with Bill Wilson

As for the shrink wrapping, take a look at the boat policy, page 39. Under Part VII – Duties In Case Of An Accident or Loss, it says:

“A person seeking coverage must...6. take reasonable steps after a loss to protect the covered watercraft, or any other watercraft or trailer for which coverage is sought, from further loss. **We will pay reasonable expenses incurred in providing that protection....**”

Based on this language, I’d say the carrier is obligated to pay for the shrink wrapping if that is reasonable and it sounds like it was.

This is yet another in the many hundreds of examples on the VU that insurance is not a commodity. Not only is the policy language often different, but how policy terms are interpreted by the insurer vary greatly. In this case we have an adjuster who is very

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rigidly interpreting the policy whereas, as you discovered in polling other insurers, a different adjuster or carrier might have a more "insured-friendly" interpretation.

The learning point in this claim is, when marketing and selling personal lines, make the insured or prospect aware that not all policies are the same and not all insurer claim practices are the same...and that the one thing the insured can count on is that the

agent will advocate on his or her behalf when a claim denial does not appear to be appropriate.

Bill Wilson is director of the Virtual University of the Independent Insurance Agents & Brokers of America (IIABA). [full bio](#)

LEARN MORE ABOUT WATERCRAFT, MOBILE HOME, RESIDENTIAL, AUTO AND PERSONAL UMBRELLA INSURANCE AT THE [PERSONAL LINES INSTITUTE \(CIC\), MAY 20-23](#) IN MISSOULA.

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- \$1,000 for nominating national winner

\$500 College Scholarship Available by Natalia Rogers, Education Director

The Maddox Living Memorial College Scholarship was established to recognize Tom & Marilyn Maddox' more than 20 years of service to the Independent Insurance Agents Association of Montana.

This scholarship is open to family members of an owner or employee of an IIAM member agency (in good standing), immediate family members of an IIAM Big Sky Lifetime Member, or immediate family members of an IIAM staff person who has been with the association at least 5 years.

Applicants must be a high school graduate, or a first or second year college student at the time of application, with a minimum 2.5 grade point average for the last year. There are no restrictions on areas of study

or colleges, as long as the school is an accredited two or four-year school.

Applicants are notified by July 15th of the scholarship committee's decision. The scholarship funds are issued in the amount of \$500 after the first quarter or semester of attendance during the next regular school year (2015-2016).

Applications must be postmarked by May 31, 2015. To apply, students should complete the application and mail it to MIEF. Don't forget to include any letters of reference, and an official transcript for the last full school year. [download application](#)

For more information, please contact [Natalia Rogers](#) at (406) 442-9555 extension 106.

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