

PROTECTIONS IN A SHARING ECONOMY, CLICK AND SHARE TO HELP INVEST, & CHUBB. INSURED.

ESSENTIAL PROTECTION FOR THE SHARING ECONOMY

By Herb Decuers, *Underwriter Insure Response, LLC*

The home and condo rental market is booming, and peer-to-peer leasing is leading the charge. With the rise of the home sharing economy and online services such as Airbnb, HomeAway, and FlipKey, it is easier than ever for home and condo owners to earn rental income and for "guests" to land accommodations that fit their needs and budgets.

While home (and room) sharing can be lucrative for homeowners, it exacerbates the typical homeowners risks. Recognizing this, Lexington Insurance Company has introduced the latest in its series of enhancements to LexElite® Homeowners Insurance: LexShareSM HOME Rental Coverage (LexShare HOME), explicitly designed to respond as the sharing economy reshapes the home and condo rental market. LexShare HOME extends homeowners protection expressly where short- and long-term landlords need it - providing coverage certainty with an expanded definition of "residence premises" and raising the roof on protection for losses from property damage, theft, and more.

Key coverage highlights include:

- A broad definition of "residence premises" that eliminates any grey areas in coverage for primary and secondary rental properties, and expressly encompasses both short- and long-term rentals regardless of whether they are secured through online peer-to-peer websites or traditional real estate brokers.
- Protection for rental of other structures on the "residence premises," such as a converted garage apartment - deleting the exclusion of other structures rented or held for rental in the standard homeowners policy.
- Increased coverage for damage to landlord's furnishings, including appliances, carpeting, and other household furnishings, in each apartment on a "residence premises," eliminating the \$2,500 coverage cap in a standard homeowners policy.
- Enhanced protection for personal property, tripling - or more - the standard Special Limits of Liability in key areas. For example, LexShare HOME provides limits of \$10,000 on watercraft of varying types; \$5,000 for loss by theft of jewelry, watches, precious, and semiprecious stones; \$7,500 for loss by theft of silverware, goldware, platinumware, and firearms; \$7,500 on property used primarily for "business" purposes; and \$4,500 on trailers or semitrailers as well as \$4,500 on certain electronic apparatus and accessories.
- Coverage for theft of personal property from that part of a "residence premises" rented to others.
- \$100,000 Watercraft Liability coverage for certain watercraft rented to others, such as jet skis, small sailboats and powerboats, canoes, kayaks, and rowboats. Standard homeowners policies provide no coverage whatsoever for watercraft rented to others.
- Express coverage for tenant-caused damage to trees, shrubs, plants or lawns on primary and secondary rental properties.

LexShare HOME Rental Coverage is the newest addition to Lexington's suite of enhancements to LexElite® Homeowners' Insurance - each enhancement is designed to help consumers keep pace with the fast-moving risks of today's world. Additional endorsements include: Lex CyberSafetySM Coverage, Upgrade to Green® Residential, Eco-Homeowner® Mandatory Evacuation Response Coverage, and LexElite® Pet Insurance.

The **Non-standard Homeowners or Rental Dwelling** is available all states except Hawaii. To learn more visit Big "I" Markets or contact Herbert Decuers at hdecuers@insurereponse.com.

1 Airbnb is Inc.'s 2014 Company of the Year, Inc., www.inc.com/magazine/201412/burt-helm/airbnb-company-of-the-year-2014.html.

2 Inside Airbnb's Grand Hotel Plans, Fast Company, www.fastcompany.com/3027107/punk-meet-rock-airbnb-brian-chesky-chip-conley.

3 Peer-to-Peer Rental: The Rise of the Sharing Economy, The Economist, www.economist.com/news/leaders/21573104-internet-everything-hire-rise-sharing-economy.

SPECIAL FEATURE - Click and Share to Help InVEST

InVEST, a school-to-work insurance program, teams with high school and college educators to provide a useful insurance curriculum for students. InVEST's mission is to improve insurance literacy in students and attract new talent to the industry. With the help of InVEST liaisons (insurance professionals), students have the opportunity to participate in job shadow days,

internships or even careers after graduating from InVEST.

You can support InVEST® with a few clicks of your mouse. Just head to the Work at Home Vintage Experts (WAHVE) Facebook page and sharing its content. For every share, WAHVE will donate \$2 to the InVEST program, supporting its efforts to educate the younger generation on the insurance industry's opportunities and benefits.

Contact Victoria Goebel with any questions.

CHUBB. INSURED.

By Meghan Gentry, Business Development Manager, Chubb Personal Risk Services

On January 14, 2016, ACE Limited acquired The Chubb Corporation, creating a global insurance leader operating under the renowned Chubb name. The new Chubb has officially been named the world's largest publicly traded property and casualty insurer, but these changes haven't stopped the company from delivering exceptional property and casualty insurance products and services to businesses and individuals around the world. We at Chubb pride ourselves on protecting the emotional attachment that clients have to their assets. We understand that these assets have a value beyond dollars and cents and that in the event of a loss, you'll want more than just a check from your insurer. The new Chubb still guarantees that we'll do our best to make the damage go away, but in the event we can't, we'll rebuild or repair without hassles, headaches, or delays.

The new Chubb will continue to offer the Masterpiece contract for all new clients - a contract which has long been considered the gold standard for the affluent insured.¹ Offering coverage for homeowners, valuable articles, auto, liability and yacht, the new Chubb is committed to providing product offerings that best meet the needs of high net worth consumers.

One such product offering is Chubb's *Signature Suite*. This grouping of exclusive services can help clients live confidently and balance the risks and responsibilities that come with their unique lifestyles. Available to any legacy Chubb, ACE or Fireman's Fund policyholder paying \$15,000 or more in premium, this collection of services provides additional protection in the areas of personal security, staff management & collections management.

Personal Security:

Teaming with The Ackerman Group LLC (AG), a premier consulting, investigative and crisis management firm, Chubb can help take preventative measures to protect you and your family from risks such as identity theft, kidnapping, home invasion, and more. AG will provide a complimentary vulnerability diagnostic to identify your personal security concerns and recommend ways to improve your protection. A security consultant will work with you to suggest personal and travel safety measures; assess phone and computer security; review architectural plans to determine the best solutions for home protection and discuss any cyber security risks and concerns you may have.

Staff Management:

Chubb offers consultations for workplace incidents or concerns regarding household or family office staff through our relationship with workplace risk experts The McCalmon Group, Inc. We can connect you to experienced employment practices professionals to discuss issues such as recruiting, hiring, disciplining or terminating employees; managing immigration, medical leave and wage issues; and how to investigate employee wrongdoing. In addition to these services, you can get background investigations on your existing or prospective full-time and/or live-in employees at discounted rates through The Ackerman Group LLC.

Collections Management:

Chubb currently offers *Collectrium* as its preferred collection management software tool at a discounted rate. *Collectrium* is the easiest and most powerful way to self-manage any collection of art, jewelry or antiques. It works on any computer, smart phone or tablet and you can access your collections anywhere in the world with total privacy and security.

In addition to *Signature Suite*, Chubb has a few other complimentary offerings for clients of all premium thresholds. We provide referrals to a robust network of more than 3,000 independent, pre-qualified service providers - many of whom provide discounts to our customers. The Preferred Service Provider Network includes:

- Alarm and security companies
- Art warehousing, transportation, restoration specialists, conservators & appraisal providers
- Building contractors & specialty finish providers
- Home contents inventory professionals
- And more

Identity theft resolution and education assistance services are now available to all home and auto policyholders, including legacy Chubb, ACE and Fireman's Fund policyholders. Customers can contact IDT911 directly at 866-860-1761 or go to www.chubbidtheft.com for additional information.

Last but not least, Wildfire Defense Systems, Inc. will now provide response services to all customers who were enrolled in legacy Chubb, ACE or Fireman's Fund wildfire defense programs. They are already monitoring these locations and will automatically respond if a wildfire threatens the area.

For now, eligible Masterpiece and Texas Platinum policyholders can continue to enroll on www.chubbwildfiredefense.com. Legacy ACE and Fireman's Fund customers can enroll by completing and submitting an ACE authorization form.

When it comes to providing the best solution possible for your affluent clients, make sure they're Chubb insured.

Learn more by logging into www.bigimarkets.com.

Thank you for your continued support of Chubb Personal Risk Services.

1. New clients to Chubb will be written on Masterpiece paper while any legacy-Chubb policyholders will continue to renew on Masterpiece paper as well. Conversely, any legacy-ACE policyholders will continue to renew as expiring on their Platinum Portfolio contracts despite being under the umbrella of the new Chubb Corporation.

WEBINARS

Remember that you can view the following webinars 24/7 by checking out the BIM Webinar Library. To do that log onto Big "I" Markets and click on "Publications".

- TravPay
- Commercial Lessor's Risk
- Affluent Homeowners
- Travelers Select Products (series)
- Travel Insurance
- Community Banks
- Affluent Homeowner
- Real Estate E&O
- RLI Personal Umbrella
- "Oh, by the way...Flood Sale"
- Habitational
- Student Housing

+++++

BIM WEBSITE TRAINING WEBINAR

For all you folks who recently registered for Big "I" Markets, remember you can participate in a webinar from the comfort of your office to help you learn how to navigate around the system. Every Thursday at 2:00 p.m. EDT we'll show you how to navigate the Big "I" Markets platform, including how to submit a quote! A recording of this webinar can be found under "Publications" after logging into Big "I" Markets.

- Thursday, June 23 @ 2 p.m. EDT
- Thursday, June 30 @ 2 p.m. EDT

+++++

Big "I" Virtual University Webinars

Don't miss the following education opportunities provided from the Big "I" Virtual University experts that focus on topics agents need to know to make a smart start in 2016. For more information, contact national staff.

- **June 22. "Drones AKA Unmanned Aerial Vehicles"** One of the most fluid issues in insurance today involves drones. The technology, regulations, exposures, and coverages seem to change on a daily basis. This webinar is designed to bring the participant completely up to date with regard to the technology, laws and regulations, evolving exposures/uses, and what coverages (both personal and commercial lines) are available in the marketplace. It will also dispel some of the myths about coverage (or lack thereof), especially in the area of privacy. Click here to learn more and to register.
- **July 11. "First Monday LIVE!"** is a free monthly webcast hosted by the VU's own Bill Wilson and guests on the first Monday of the month to discuss the wide world of insurance from seemingly non-insurance topics. Each 30-minute webisode covers "what's going on" in the news and the implications. The July broadcast is in development as topic areas are discovered. Click here to learn more and register and here to access the recordings.
- **July 20. "Fixing Personal Lines Coverage Gaps"** Through scores of real-life claims examples and court cases, this program examines common coverage gaps found in many personal lines policies and addresses the remedies for such gaps in the form of insurance products or risk management techniques. Click here to learn more and register.

+++++

Designing a Crisis Communications Strategy with Agility

In this session Agility will detail the basic fundamentals of a solid crisis communications strategy, including internal and external communications, alert notification, media relations and best practices for crafting the messages used during a disaster.

Due to the constant evolution of communications methods, the global nature of media and revolutionary new tools available, this aspect of your overall crisis response plan may be fluid over time, but it will always rely on some fundamental elements that must be in place before the next crisis arrives.

Don't miss this opportunity to get your plan in place.

Wednesday, June 29th, 2016
2:00 PM to 3:00 PM EDT
Cost = Free

Register today.

STUDENT OF THE INDUSTRY PARTING SHOT

What LOB is the REALLY the Fastest?

By Paul Buse, President of Big I Advantage®

After the column a few weeks ago where increase in automobile insurance premiums was highlighted, we received a question. On getting the query, I realized I was exposed--for not clarifying something important. And it was something I have written about right here in this space. ***Gasp!***

I had used Net Written Premiums to show premium increases and had taken the data from the standard report from A.M. Best. Such reports are most often based on NET premiums (that is, after ceding some premium to reinsurers) and not DIRECT premiums (that is, before ceding any premiums to reinsurers). I vowed to look into it and get the Direct Written Premiums by Line of Business (LOB) and report that as it applies to insurers writing through independent agencies. After all, as agents, we care in this context about the premiums we write, not what the insurers retain. Below is the results on Direct Written Premium and shown is the business actually written by insurers A.M Best categorizes as "Marketing Type=Independent Agencies."

And the winner is... inland marine! With the recent addition and strong interest in the RLI Jewelry Insurance Program along

with our long standing popular personal and commercial "Stand Alone Fine Arts and Valuable Articles" programs, readers of this column are probably not surprised.

Fastest Growing LOB Sold Through Independent Agents: Inland Marine

| Ranking | Line of Business (DPW-in \$Bils) | 2014 to 2015 Growth | Ave. 5 yr. Growth |
|---------|------------------------------------|---------------------|-------------------|
| 1 | Inland Marine (\$10.5) | 12.2% | 12.2% |
| 2 | Other Liab- Occurrence (\$22.4) | 8.1% | 8.4% |
| 3 | Workers' Compensation (\$36.7) | 6.3% | 8.1% |
| 4 | Burg & Theft (\$0.1) | 19.8% | 7.8% |
| 5 | Products Liab- Occurrence (\$1.3) | -0.1% | 7.3% |
| 6 | Commercial Auto Liability (\$16.4) | 8.1% | 6.7% |
| 7 | Farmowners MultiPeril (\$1.0) | -0.3% | 6.2% |
| 8 | International (\$0.1) | -13.2% | 5.6% |
| 9 | Auto Physical Damage (\$27.4) | 8.0% | 5.0% |
| 10 | Homeowners MultiPeril (\$30.0) | 4.0% | 4.9% |
| 11 | Other Liab- Claims Made (\$11.8) | 2.7% | 4.7% |
| 12 | All Other (\$6.8) | 6.2% | 4.3% |
| 13 | Boiler & Mach (\$0.2) | 4.9% | 3.8% |
| 14 | Group A&H (\$1.8) | 0.9% | 3.7% |
| 15 | Com'l MultiPeril (\$27.0) | 1.0% | 2.8% |
| 16 | Private Pass Auto Liab (\$34.7) | 4.8% | 2.7% |
| 17 | Medical Mal- Occurrence (\$0.6) | 2.1% | 2.0% |
| 18 | Fire (\$5.7) | -0.8% | 1.2% |
| 19 | Surety (\$4.1) | 3.3% | 0.9% |
| 20 | Earthquake (\$0.6) | -19.8% | 0.8% |
| 21 | Fidelity (\$0.7) | -0.2% | 0.0% |
| 22 | Products Liab-Claims Made (\$0.2) | 1.2% | -0.1% |
| 23 | Excess Workers Comp (\$0.2) | -6.6% | -0.4% |
| 24 | Ocean Marine (\$2.0) | -1.5% | -1.5% |
| 25 | Medical Mal-Claims Made (\$2.0) | -0.1% | -1.6% |
| 26 | Aircraft (\$0.9) | -6.8% | -2.9% |

[Click for larger version](#)

Source: : A.M. Best "BestLink" Service. Excluded from the above summary is Warranty, Mortgage Guaranty, Other A&H, Allied Lines and Credit Insurance. The above premiums total about \$250 billion and represent about 42% of total P&C industry Direct Written Premiums from all lines and via all marketing types (that is, the above does NOT include premiums via direct, exclusive/captive agents, general agents, affinity, and banks).

TWO FOR TUESDAY TRIVIA

Be one of the first five with the correct answers and win a \$5 gift card (Starbucks, Dunkin' Donuts, Baskin Robbins, or Krispy Kreme).

Don't forget to answer the Tie Breaker!

Congratulations to this week's winners - **Ellen Prescott (NY), Julie Streitmatter (IN), Linda Davidson (WA), George Goodman (NY), & Tyler Boudreaux (LA).**

1. The U.S. Army is celebrating its birthday today (June 14). How old are they? - **241**
2. According to FloodSmart.com a car can be swept away by just how many feet of water? - **TWO**
3. What is recognized as the first recreational vehicle which debuted in 1910. What was the make and model? - **PIERCE-ARROW TOURING LANDAU**

TIE BREAKER

Konrad Zuse is credited with creating the first computer programming language in 1943-45. What was it called? - **PLANKALKÜL**

LAST WEEK'S MOST CLICKED LINKS

Here are the top three items that got BIM agents clicking from our last edition... see what you missed!

1. EPLI - Things That Should Never Be Said
2. FloodSmart.com
3. United States Army

BIG "I" MARKETS SALE OF THE WEEK

Congratulations to our agent in Illinois on a personal recreational vehicle sale of **\$1,398** in premium!