

# CHUBB MASTERPIECE OFFERS TIPS FOR HURRICANE PREP AND COVERAGE, TIMELY MOMENT TO OFFER CYBER COVERAGE, & WORKERS COMP FOR A CHANGING WORKPLACE

## Chubb Masterpiece Offers Tips for Hurricane Prep and Coverage

Hurricane season doesn't begin until June 1st but we've already had a named storm, Arlene, only the second tropical storm ever to take place in April. Also in April, subtropical storm Ana led off a very active 2003 season which included Cat 5 Hurricane Isabel as well as two post-season named storms in December. Isabel packed a wallop and penetrated as far inland as western Michigan before heading into Canada. Virginia sustained the worst of it with nearly \$2 billion in damage and ten fatalities. It flooded just down the hill from our offices in Alexandria and into Washington D.C. as a nearly 10 foot storm surge pushed up the Potomac.

How often do hurricanes hit certain areas? The answer might surprise you. Isabel's North Carolina landfall area ranges from 16 to 25 years between major hurricanes (Cat 3 or better). By contrast Florida's southern tip ranges from 14-19 years between major storms. But those are major storms. North Carolina's coast is actually more likely to see any hurricane (5-7 years), than Florida's southern tip (6-8).

Did you miss Hurricane Preparedness Week? Being prepared can help and Chubb has a Hurricane and Windstorm Planning paper for your clients. Below is a summary of pre-storm prep but it also covers what to do during and after a storm.

- Prepare an "Action Plan" in the event of an evacuation
- Protect personal belongings and important documents
- Prepare an emergency supply kit
- Address landscaping concerns in advance of storm season
- Clear loose objects
- Reinforce windows and doors
- Reinforce your garage door
- Test and refuel your backup generator

### Following a Hurricane or Windstorm Event

Because most of Chubb's homeowner policies provide "all risk" coverage, physical damage to your client's home or other structures at the insured location caused by hurricane or windstorm may be a covered loss. However, a special deductible may apply in lieu of the standard deductible. Chubb only covers damage caused by flood, surface water or ground water if your clients have purchased a Chubb Personal or Excess Flood Insurance policy. Chubb may, however, pay the following extra coverages (the base deductible or a special deductible may apply) depending upon the policy under which you are insured:

**Additional Living Expenses:** If a covered loss to the house, other permanent structure or contents makes the dwelling(s) uninhabitable, Chubb may provide coverage for any reasonable increase in your normal living expenses, which could include:

- Temporary residence
- Hotels, meals, transportation, etc.
- Pet kenneling
- Replacing lost fair rental value
- Other increases to normal living expenses, as described in the policy

However, power outages that do not result from a covered loss to the property will not trigger additional living expenses.

**Temporary Precautionary Repairs:** After a covered loss, Chubb may provide coverage for temporary precautionary repairs to protect the home, contents, or other structures from further damage.

**Debris Removal:** Chubb may pay for the cost to demolish damaged property and remove debris.

**Forced Evacuation:** If your client is forced to evacuate the home or other permanent structure as a direct result of a covered loss or a reasonable threat of a loss covered under the policy, Chubb may cover the reasonable increase in normal living expenses for up to 30 days. This might include hotel and meal expenses or kenneling for pets. Under some policies, this coverage only applies if a civil authority has forced the insured to evacuate the home.

**Tree Removal:** Unless covered elsewhere under the policy, Chubb may pay the reasonable expenses incurred to remove trees fallen due to wind. Special coverage limits will apply.

**Food Spoilage:** If the insured has coverage for contents, Chubb may cover the cost of spoiled food and wine caused by power interruption. Special coverage limits and deductibles apply in most states.

The **Chubb Masterpiece Program** is available to registered members in all states except auto in HI, KY, MA, NC, SC and VA as those are being placed in the legacy-ACE system. Additionally, NJ auto and NC home business are being written in the Chubb Non-Masterpiece environment. Learn more by logging into [www.bigmarkets.com](http://www.bigmarkets.com) and clicking on "**Affluent Program-New Business.**"

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## SPECIAL FEATURE

### Timely Moment to Offer Cyber Coverage

Last week a massive global cyber-attack affected dozens of countries and tens of thousands of computers worldwide. As international headlines covered the breach, cyber security is top-of-mind nationwide and it's apparent no one is immune to hacking or malicious attacks.

This is a timely moment to reach out to ensure your small business clients are covered with cyber liability insurance. Our newest product partner can be found on [www.bigmarkets.com](http://www.bigmarkets.com) under "**Cyber-Small Business Solution.**" Use our sample marketing letter as a quick and easy way to reach out to all your small business clients to offer coverage. Whether you choose to mail or email it, don't delay in reaching out to offer cyber!

It's also wise to have evidence the coverage was offered in your client file. We have a customizable declination form that can be used to document your file when coverage is refused. Customize and print it out (or load it to DocuSign) today, and make it part of your small business sales process.

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## Workers Comp for a Changing Workplace

An employee falls on the treadmill in the company gym. Another is injured during a three-legged sack race at the company picnic. A third breaks her wrist by tripping over the family dog while working from home. Do these people have a workers' comp claim? The simple answer is, "It depends."

Did the company encourage or require employees to use the gym or help offset the cost of a gym membership elsewhere? Was attendance at the picnic or the sack race truly voluntary or was it at least an implied requirement? Do the hazards of the home become the employer's responsibility for telecommuting employees? "It depends" also includes where the company is located as the same conditions leading to the injury may be covered in one state but denied in another.

Healthcare costs continue to rise which make incentives to improve the overall health of employees attractive. Work sponsored events are great for employee morale and health. Telecommuting and working from home increase flexibility and employee retention. Technology can make the accessibility of employees go from 9-5 to 24/7, which can cause stress and dissatisfaction due to the imposition on personal time. Newer offices are being designed greener, geared towards health and with a more open concept vs. cube farms as the private office is not considered a measure of success by millennials. Another trend is a treadmill desk and the stand-up workstation, reportedly standing for a while is healthier than remaining seated throughout the day, but only when used correctly. Better get a mat for that.

It's times of change that cause problems for insurance. The risk exposure line is not nearly as clearly defined as most employers would like. What is or isn't covered will be worked out over time, but it's always best to be prepared with a carrier that actively works to stay abreast of these changes.

**Workers' Compensation** through Travelers Select is currently available under **Small Commercial Standard Markets** on Big "I" Markets to member agents in all states except AK, CO, DE, HI, MA, ND, NM, OH, PA, WA & WY.

Eligible industries include:

- Offices, Retail

- Business segment
- Restaurants

If you have any questions, please contact Big "I" Markets Commercial Underwriter Tom Spires at [tom.spires@iiaba.net](mailto:tom.spires@iiaba.net).

## 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".

- AIG Private Client Group Homeowner - Personal Excess
- Chubb Masterpiece Homeowner - Automobile
- AIG Private Client Group Homeowner - Collections
- Chubb Masterpiece Homeowner - Overview
- Architects & Engineers Liability
- AIG Private Client Group Homeowner - Automobile
- AIG Private Client Group Homeowner - Overview
- TravPay
- Affluent Homeowners
- RLI Personal Umbrella
- Habitational

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### 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, May 25 @ 2 p.m. EDT
- Thursday, June 1 @ 2 p.m. EDT

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### Big "I" Product Webinars

- **Thursday, May 18 - 2:00 - 3:00pm EDT. "AIG Affluent Coverages - Comprehensive Webinar"**. Please join us and Lisa Gelles of AIG Private Client Group for a comprehensive webinar on Thursday, May 18. During the presentation, we will cover each of the four core lines of business - homeowner's; auto; umbrella and valuable items. We will review coverage features and benefits, as well as suggestions for marketing high-net-worth coverage to your clients.

Register here Cost: Free.

- **NEW - Tuesday, May 30 @ 2:00 - 3:00pm EDT. "Chubb Recreational Marine"**. Please join us for the third presentation in our educational series on Tuesday, May 30th from 2:00 - 2:45p.m. Eastern with Jason Billingslea, the Business Development Manager for Recreational Marine in the Southwest. Jason will provide an overview of Chubb's boating appetite, coverage offerings and real-life claim scenarios. Come learn what makes Chubb so unique when writing these types of exposures and how you can market this line of business to your clients!

Register here Cost: Free.

- **NEW - Wednesday, June 7 @ 2:00 - 3:00pm EDT. "Chubb International Advantage - Foreign Package Policy Webinar"**. Placing appropriate coverage for foreign exposures can sometimes be challenging. Please join us and Brandon Boyd of Chubb Multinational Property and Casualty for a 45 minute webinar on how a comprehensive foreign package policy offers protection for businesses, employees, independent contractors, volunteers, students and more while traveling or doing business outside of the United States. Topics will include an overview of international insurance basics along with tips on identifying gaps left by domestic coverage for foreign exposures,

ways to identify overseas risks by asking clients key questions, top classes of business that have overseas exposures and international claims scenarios that will help emphasize the importance of a foreign package policy.

Register here Cost: Free.

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### 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 2017. For more information, contact national staff.

Other topics in the 2017 schedule cover partial losses, contractual risk transfer, business income, contractors and more. The entire schedule, including registration links can be found online here.

- **NEW - Wednesday, June 14 - 1:00 - 3:00pm EDT. "Untangling the Work Comp Mess - When Employees Travel and Their Families Sue".** When employees travel out of state for work, real work comp coverage gaps can exist; and these gaps could leave the employer without the necessary protection they THOUGHT they purchased when they paid their work comp premiums. Extraterritoriality and reciprocity are major work comp problems most agents don't know they have. Yes, every state provides extraterritorial work comp protection, but not every state recognizes that coverage – so many insureds are unknowingly blindsided by uncovered or improperly covered claims.

Some agents take Part II – Employers' Liability coverage for granted. They consider it just a "thrown in" coverage with no real benefit. But Employers' Liability protection fills major gaps between the work comp policy and the CGL. Without this important coverage, your insured could have a hefty out-of-pocket expense.

Attendees to this session learn:

- What "extraterritoriality" and "reciprocity" are in relation to work comp;
- How limitations in some state reciprocity laws create major gaps in work comp coverage;
- How to fix these coverage gaps; and
- Why employers' liability coverage is so extremely important.

Click here to register. Cost: \$69

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## 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 - Julie Siebold (SC), Matt Swenson (UT), Lisa Gammill (MS), Megan Thomas (OK), & Lyubov Blyshchik (SD).**

1. What is the maximum gross take-off weight (MGTOV) allowed for a commercial drone under the RLI At-Home Business program? - **55 LBS**
2. On this date in 1754 the first American political cartoon is published. Name it. - **JOIN, or DIE!**
3. Does the Philadelphia Non-Profit D&O coverage extend worldwide?? - **YES**

### TIE BREAKER

TB - Usually the ocean erodes beaches, but recently this Irish beach was "returned" after being washed away during a storm 33 years earlier. What is the name of the beach? - **DOOAGH**

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## LAST WEEK'S MOST CLICKED LINKS

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

1. Cyber-Small Business Solution - Sample Offer Letter
2. Cyber-Small Business Solution - Brochure
3. Cyber-Small Business Solution - Declination Form

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## **BIG "I" MARKETS SALE OF THE WEEK**

Congratulations to our agent in the Pennsylvania on an Affluent Program - New Business sale of **\$8,626** in premium!