

SMALL BUSINESSES FACE HACKING RISKS, RLI'S EXCITING ELIGIBILITY & UNDERWRITING CHANGES COMING SOON, & SELECTIVE ANNOUNCES E-SIGNATURE UPDATE

Small Businesses Face Hacking Risks

2017 was a record year for data breaches, but small businesses may feel they are too small to be threatened by cyber risks and often don't take the steps needed to try and protect themselves. But even if they aren't the primary target, hackers could use them to get to larger businesses, such as the 2013 Target hack, which happened after hackers breached its HVAC vendor.

Merchants of all kinds should carry cyber coverage. Lawyers, CPAs, podiatrists, consultants, counselors, taxi operators, restaurants and bars...you name it. Big "I" Markets has a **Cyber Liability-Small Business Solution** you can offer to your clients at \$200 for most small businesses with under 50 employees. You'll find our ineligible list is tiny: banks, credit unions, payment processors, gambling organizations, adult industry, social media/networking firms, cloud providers and security broker dealers.

How to Market Cyber

At a minimum, email every small business in your client roster to offer coverage. We've done the work for you and provided a concise sample letter outlining the product features - simply click here to download it. Even better, mail the letter through USPS, or use it as a reason to check in with a call or personal visit...or combine them.

Coverage is "primary to other." If your client asks for more coverage, offer consultation after providing instant protection. You also have access to industry leader Travelers Wrap+ through Big "I" Markets if higher limits are desired.

Enjoy a Simple Sales Process

Binding could not be easier. Enjoy 15% commission, the ease of direct billing and the confidence that comes with using an insurer rated "A" with A.M. Best.

Go to www.bigimarkets.com, choose **Cyber Liability-Small Business Solution** and provide a customer email in the quote request function. BIM takes care of the rest. We collect the application and \$200 via credit card directly from the customer and pay you. The policy and certificate are available in 24-48 hours after payment has been processed. We post a signed application on BIM, and a dedicated web page is available for self-print of the certificate and policy.

Protect your Agency from E&O Risk

Document, document, document! After sending your initial marketing letter, ask for a signed declination via DocuSign. We have created a sample form that you can customize with your agency name. If your client doesn't return the form, use a DocuSign message to document that the offer was sent. If nothing is returned, your file will look strong in the event of a claim.

"We want every policyholder in the Big 'I' Professional Liability program (and indeed, every Big 'I' member) to offer cyber liability coverage to all their small business clients. Doing so will minimize the top source of E&O claims, 'failure to offer,' and provide better protection to your valued clients," says Jim Hanley, Big I Advantage® Director of Risk Management.

Questions? Go to www.bigimarkets.com and select **Cyber Liability-Small Business Solution** from the commercial products menu, or email bigimarkets@iiaba.net.

SPECIAL FEATURE

RLI's Exciting Eligibility & Underwriting Changes Coming Soon

View the new application and guidelines that take effect June 1.

You asked, and RLI listened! They are excited to announce that the RLI Personal Umbrella policy will be making some major eligibility and underwriting changes for new and renewal business with an **effective date of June 1, 2018 and later**. The major changes to RLI's eligibility guidelines are summarized below:

- **Drivers under the age of 20 will be eligible with one (1) incident (violation OR at-fault accident)** . Previously, drivers age 20-21 were eligible with one incident, while those under the age of 20 were ineligible. As a result, the yes/no question pertaining to a driver under the age of 20 with an incident has been removed.
- **Drivers under the age of 22 will be eligible with basic underlying automobile limit B (250/500/50 OR 300/300/50 OR 300 CSL)** . Previously, drivers under the age of 22 required basic underlying automobile limit of A (500/500/50 OR 500 CSL). Note that basic underlying auto limit A will continue to give a discount.
- **Up to \$5M limits will be available for certain PUP Special risks.** If a risk is in PUP Special due to the number of autos and/or properties (questions 1 and 2), and no other response(s) make the risk PUP Special, up to \$5M limits will be available. Previously, any response that made the risk PUP Special was limited to \$1M.
- **Up to nine (9) residential properties rented to others that are not occupied in whole or in part at any time will be eligible.** Previously, ownership of six (6) or more of these properties was ineligible. As a result, the yes/no question pertaining to six or more rental properties has been removed.
- **Simplification of the farm/timberland question.** Previously, RLI asked for how many acres of timberland and/or land that is farmed. They have removed that distinction and instead ask for how many acres of land are owned or leased.
- **Simplification of the target political figure question.** In most states, appointed or elected political figures lower than the state level in a political subdivision with a population above 100,000 were previously ineligible. That distinction has been removed.
- **Increase of the prior liability loss amount for eligibility.** Previously, the prior liability loss amount for eligibility was \$25,000. Along with re-wording the question to include open liability claims or lawsuits, the prior liability loss amount has been increased to \$50,000.

All of the changes described above necessitated a paper application refresh. While doing so, RLI also clarified the wording on several questions and definitions. A copy of the FL New Business App and All Other States New Business App are included for your review. If you would like a copy of the renewal application, please contact your ASR. Depending on the state, renewal applications for business effective June 1, 2018 will be mailed shortly.

New Mexico risks will no longer have their own application; they will instead use the PUP 276 (10/17) version. However, the only policy limit available remains at one million dollars for risks with a primary address in New Mexico.

It is important to note that the new business applications attached (10/17 versions) should NOT be used unless you are requesting an effective date of at least June 1, 2018. RLI cannot accept the new 10/17 version of the new business application for any business effective prior to June 1, 2018. Additional communication, including fillable pdf versions, will be sent at that time.

Should you have any questions regarding these changes, please contact your state's RLI administrator at www.iiaba.net/RLI.

Selective Announces E-Signature Update

Big "I" Flood partner Selective is always working to make sure its technology helps you to do business with them. With the most recent update to Selective's Torrent system, you are now able to **collect the primary insured's signature** for the cancellation form **in an electronic format**.

This will create a more efficient process and can help save you time as well. Once you upload an electronic signature document into the Torrent system, it will automatically be sent to Selective for processing. If you have any questions on e-signatures, please reach out to your Selective territory manager.

Want to learn more about Big "I" Flood? Together, Big "I" Flood and Selective's relationship helps deliver members an unparalleled flood program. Together, we offer agents several layers of support to meet any and all flood insurance needs. Get to know the Big "I" and Selective staff and get your flood questions answered. With **personalized support, competitive commissions, and an easy-to-use quoting platform**, it is an easy decision to start writing your flood business through the Big "I" Flood-Selective partnership today. Learn more at www.iiaba.net/Flood.

WEBINARS

Free Agency Risk Management Webinar Big "I" Professional Liability

Date: Wednesday, February 21

Time: 2:00 - 3:00pm EDT

Cost: Free

Summary:

Our panelists will take a look under the hood at Uninsured Motorist/Underinsured Motorist (UM/UIM) coverage. We will also provide you with some helpful risk management tips and some claims examples of how bad claims happened to good agents when placing auto coverage.

The panel discussion will feature Bill Wilson, CPCU, ARM, AIM, AAM, Founder & CEO, InsuranceCommentary.com, Matt Davis, Claims Manager, and Jim Hanley Director, Agency Professional Liability Risk Management will moderate. Fasten your seat belts and register today for "Swerve to Avoid Agency Liability: All About UM/UIM."

If you have any questions relating to the topic that you would like addressed during the discussion, please email Big "I" Professional Liability's risk management director Jim Hanley.

Registration:

[CLICK HERE TO REGISTER](#)

Re-Learning Flood: Old Myths & New Realities

Virtual University

Date: Wednesday, February 7

Time: 1:00 - 2:30pm EDT

Cost: \$49

Summary:

Led by Big "I" Virtual University expert John Putnam, the Re-Learning Flood: Old webinar seeks to dispel some misconceptions about flood insurance and help agents better understand:

- What is flood?
- Are we facing a new protection gap?
- What is the current impact of increased frequency and severity of flooding events in U.S.?
- How are these trends impacting the NFIP and giving rise for increased flood insurance privatization?
- How might greater privatization change the marketplace and improve protection?

All Big "I" Virtual University webinars include a 'seat' to attend live, a link to the on-demand recording, and a written transcript. Consider presenting conference style for the entire agency to benefit from the information shared. If looking for quick strikes of information on focused topics, take a look at the 20-minute Lightning Learning series for 2018.

Registration:

[CLICK HERE TO REGISTER](#)

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. Non-standard Homeowners
2. Workers Compensation: 5 Mistakes Every Agent Makes
3. IA magazine article - "A Happy Distribution Force Equals Increased Carrier Profitability"

BIG "I" MARKETS SALE OF THE WEEK

Congratulations to our agent in Louisiana on an Affluent Homeowners sale of **\$13,378** in premium!