

CHILL OUT WITH AIG WINTER TIP SHEETS, COMING SOON: THE BIG I ADVANTAGE NEWSLETTER & HELPING BANKS HELP THEMSELVES

Chill Out with AIG Winter Tip Sheets

A cold snap (that originated in Siberia!) is hitting large portions of the country, leading to canceled flights in the upper Midwest and even causing an airplane to slide off a runway on landing.

Icicles are a beautiful and iconic symbol of winter, often reproduced in crystal, plastic, and as lights as decorations on trees and houses. Icicles are both beautiful and dangerous at the same time. Icicles hanging from a gutter may be a sign of a much bigger problem, especially during times of the daily temperature being around freezing. Inadequate insulation and poor airflow can cause escaping heat to collect in the attic, which can melt the underlying snow closest to the top of the roof. The water runs down until it reaches the unprotected eaves and gutters where it refreezes before it can go down the spout. When enough ice accumulates it can actually prevent subsequent water from reaching the cooler section and refreezing. This water can then back up under shingles and start working its way into the house as diagrammed here.

When water freezes it expands in volume by nine percent, so if the water pipes in a home freeze, the pressure can build up until the pipes rupture. When the water in the pipe melts it will shoot or pour out of the new hole(s). That's when the plumbers, water mediation specialists and remodelers must be called in. CPVC & PVC pipes are more flexible than copper and thus can withstand more pressure, but are not immune to problems as this study on freezing shows quite dramatically.

AIG has flyers you can share with your clients to help them prepare for winter. Check out this piece on how to avoid an ice dam, and this piece containing winterizing tips. An ounce of prevention is worth a pound of claims. AIG's Private Client Program is available to registered members in all states.

Included are:

- Guaranteed replacement cost - Included
- Back-up of sewers and drains - Included; up to dwelling value
- Business property - Up to \$25,000
- Deductible options - Up to \$100,000 available
- Primary flood - Available
- Equipment breakdown - Available
- Identity fraud restoration expenses, ATM robbery, and financial fraud, embezzlement or forgery - Available
- Traumatic threat or event recovery - Available
- Green rebuilding expenses - Available
- Waiver of deductible on losses over \$50,000 - Available
- Replacement cost cash out option - Included
- Lock replacement - Included; no deductible
- Food spoilage - Included
- Loss prevention devices following a claim - Included; up to \$2,500 available

Log in to www.bigimarkets.com and click on **Affluent Program - New Business** to learn more!

SPECIAL FEATURE

Coming Soon: The Big I Advantage Newsletter

The latest Big I Advantage® newsletter will arrive in Big "I" member mailboxes soon.

Preview the edition, which features updates and articles about all Big I Advantage® programs. The cover story is devoted to an important enhancement coming to Big "I" Markets soon. Other fresh content highlights new and important aspects of our insurance and non-insurance programs including cyber liability, flood, standard personal lines, commercial auto, and more.

To learn more about any of the programs the newsletter highlights, visit the Big "I" web site at www.independentagent.com and click on "Services" then "Products."

We welcome your feedback on this newsletter and any topics you would like to see covered! Email us with your suggestions.

Helping Banks Help Themselves

One increasing claim trend seen at Travelers among financial institutions is a form of social engineering referred to as fraudulent instructions. In a bank's case, fraudulent instruction occurs when an employee is tricked into transferring money from a customer's account to somewhere else because a fraudster steals the customer's identity and convinces the bank through emails or phone calls to move the funds. With the benefit of seeing multiple claim scenarios, Travelers would like to share some of the best practices that can be used to prevent fraudsters from making your bank a victim.

- Train your staff. The Number 1 way to prevent fraudulent instructions is to have a well-trained staff that follows procedures, verifies a customer's instructions by calling the customer at a pre-determined number, and questions things when they don't look right. Your staff should not only understand the procedures but also why they are important. Train your staff not to deviate from procedures by taking shortcuts.
- Deliver good customer service, but make the customer prove who they are. Don't hand the customer answers. In a recorded call, a bank employee was trying very hard to give the member excellent customer service but did so at the expense of the real customer. To questions such as "Are you still at 123 Main Street?" and "Is your phone number still 555-5555?" the crook simply had to acknowledge that the information was correct. Staff should require the customer to authenticate their personally identifiable information rather than acknowledge what is on file.
- Know your customer. If a bank employee thinks a wire request is unusual for a certain customer, they should be empowered to dig further. Travelers had one claim where an 80-year-old customer requested a \$750,000 draw from his home equity line of credit to be wired to Australia. When asked what the transfer was for, the purported customer said he was buying a rock quarry. Unusual requests should spark increased due diligence.
- Escalate suspicion. Train your people that if they get a call that sounds suspicious, they should share it with others on the team. Just because one customer service representative wouldn't complete a transaction doesn't mean another attempt won't be made. It is important to talk amongst yourselves. These fraudsters are diligent, so bank employees must be, too. A consistent pattern exists: Crooks don't stop at just one attempt. They will keep calling back until they either get caught or there is no more money.
- If a customer says they can't be reached at the phone number on file, call it anyway.
- Beware of urgency, poor grammar, the word "kindly," and sentences that don't make sense or use improper words.

When these steps are taken and a socially engineered fraudulent instruction attempt fails, celebrate that success. If an employee prevents a fraudulent transaction, spread the news. Share the emailed instructions, discuss what was suspicious about it and post examples of fraudulent instructions. This helps the front-line team remember that attempts at fraudulent transactions are real and are constant. Bank employees must remain vigilant.

Travelers SelectOne® for Community Banks, underwritten by Travelers Casualty and Surety Company of America, is endorsed by the Independent Community Bankers of America. To find your local community bank, visit ICBA's community bank locator at www.icba.org/about/find-a-community-bank. Simply type in your zip code and the app will show you all the community banks in your area. A specimen policy is located in "Product Resources" on www.bigmarkets.com.

Travelers is committed to managing and mitigating risks and exposures, and does so backed by financial stability and a dedicated team - from underwriters to claim professionals - whose mission is to insure and protect a company's assets.

WEBINARS

VU Webinars and Lightning Learning

Virtual University

WEBINARS - Two-hours with CE in select states.

- November 19 - 1:00 p.m. EST - 9 Rules for Reading an Insurance Policy Based on the Law of Insurance Contracts
- November 20 - 11:30 p.m. EST - Rules for Developing the Correct Premium
- December 18 - 10:00 a.m. & 1:00 p.m. EST - 3 Keys to Getting the Named Insured Correct

View the complete calendar, registration links and see what states have CE approval online. Registration includes live webinar, on-demand recording and a transcript.

TWO FOR TUESDAY TRIVIA

Prizes will be to the first response with the correct answers and then four selected at random from all received by 6 p.m. EDT on Wednesday. Win a \$5 gift card (Starbucks, Dunkin' Donuts, Baskin Robbins, or Krispy Kreme).

Congratulations to this week's winners - Megan Yochum (OK), Janet Lackey (OH), Cynthia Kress (NV), Liz Perez (ME), & Nadine Dockstader (MI).

1. In the Flood article above who is your Flood Territorial Manager? - **ANSWER VARIES**
2. Which Irish-American dancer once had his legs insured for over \$50 million? - **MICHAEL FLATLEY**
3. In the "What is a Personal Umbrella Policy?" video above what are the three things listed right away that could make YOU the target of a lawsuit? -
 1. **Own a dog**
 2. **Driving a car**
 3. **Inviting Guests into your home**

TIE BREAKER

TB - In the movie "Back to the Future", on this date (11/05) in 1985 Marty McFly traveled back to his home town of Hill Valley, CA. The town square is actually a set used in what other movie series first released a year earlier? - **GREMLINS**

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. Customizable Personal Umbrella Declination Form
2. Customizable Personal Umbrella Flyer
3. "RLI Explains: Uninsured & Underinsured Motorist Coverage" video

BIG "I" MARKETS SALE OF THE WEEK

Congratulations to our agent in Arizona on a Jewelry Insurance sale of **\$5,468** in premium!