

TWO FOR TUESDAY from Big "I" Markets

SEEKING UNDERINSURED AFFLUENT HOMEOWNERS, GOING NUTS OVER DOCUSIGN & CAN SURETY BE QUOTED LIKE INSURANCE?

ACE WANTS TO HELP YOU SEEK OUT UNDERINSURED AFFLUENT HOMEOWNERS

Time has a way of making the past seem simpler. Imagine a couple sitting on their front porch reminiscing of how they started out. Shoebox apartments, rust-bucket cars driven into the ground and the thrill of buying their first house just before their first child is born. They look around and take stock of how different it is now; a large house full of kids, late-model luxury cars, even a vacation home at the lake/beach or up in the mountains. They laugh as they remember when their oldest went to the first day of Kindergarten wearing two different shoes because they couldn't find a complete pair in time. Then they think of all the things that same child will need when heading away to college next fall.

Just as the needs of a college freshman are far greater than a Kindergartner, the needs of the high net worth are greater. Far too many financially successful clients are underinsured because they never recognized the need to seek more specialized coverage. An HO5 for a \$250,000 house doesn't scale well to a \$2,500,000 estate. A high-value home more likely has specialized equipment, higher quality materials and customized features, which might not be properly recognized, causing a shortfall in coverage. The insured will probably have expensive art, jewelry and other valuable items in the home. The home and contents might need safety devices such as 24-hour monitored alarms, leak detection systems, and fire safes. Depending on the home assessment process, they may not have them because they weren't required, or if they do have them they may not be getting a premium credit. The differences are vast.

ACE has been leading the effort to reach these underserved clients and make sure they have proper coverage. They have prepared a 10 question checklist you can use to market to the underinsured. The ACE Platinum Portfolio, often with just one policy, can provide superior coverage for your high net worth clients' homes, vacation properties, autos, jewelry and valuable collections, watercraft, and personal liability. The portfolio approach has many advantages: It minimizes coverage gaps and wasteful duplications that can occur with a collection of standard industry policies. It earns an overall discount, so your clients get seamless protection as well as the most value for their premium dollar. In most instances, the client will have just one policy to track and one bill to pay.

Coverage Features/Benefits:

Coverage is available for home, auto, watercraft, umbrella and valuables, and is most often sold and billed on a package basis to maximize multi-policy credits and ease for the client. Deductibles of at least \$1,000 are encouraged, and risks with prior losses will be considered based upon the merits of the account. Included in the ACE Platinum Portfolio:

- Full replacement cost coverage for dwellings, other structures, as well as A&A for condos & co-ops, in all but a few states
- Replacement Cost on Contents in most cases
- Total Loss Settlement Option
- Medical expense amount of \$50,000 included
- Back up of Water/Sewer to Residence limit for loss to residence, up to Personal Property limit for loss to personal property
- Credit Card/Bank Coverage up to \$10,000
- Deductible Reserve included with \$2,500 ded. or higher.
- Unlimited Ordinance and Law Coverage in all but a few states
- Primary flood end. Available in most states for pref. flood zones
- Ability to tailor the coverage amount for other structures and contents
- Identity Fraud Expenses Included \$100,000.

Coverage Availability

To check coverage availability for your state log into www.bigimarkets.com.

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SPECIAL FEATURE:

Going Nuts About DocuSign

From the largest multi-national enterprises to home-grown businesses like Kauai Nut Roasters, DocuSign has helped millions of customers sign, and send out documents for signature. You're in good company with our endorsed partner.

Try DocuSign to securely sign, send, and manage documents. Visit www.docusign.com/IIABA today to take advantage of your Big "I" member discount!

CAN SURETY BE QUOTED LIKE INSURANCE?

By: Lori Olson *New Business Intake Manager*, Goldleaf Surety

This is often a question agents have for Goldleaf Surety. The short answer is sometimes, under the right circumstance, it can be competitively quoted. And, if an agent has an account for which they are quoting insurance and the account wants your agency to handle their surety as part of the package, Goldleaf certainly help you deliver a quote on surety.

Now, the long answer...

Surety represents a credit instrument. First, the contractor must qualify for credit. If they do not qualify, then a quote cannot be provided.

Most surety pricing is determined by rate filings that the surety companies make, by law, in each state. So, there is some - but not a lot - of competitive pricing in surety. Sureties can deviate from their filed rates for specified reasons, and certain surety companies have special rates that allow them to handle non-standard accounts. But, you will not see the same kind of price movement and price aggression in surety as you see in insurance. Most surety companies are not interested in taking on substantially larger dollar amounts of credit risk for very small increments of premium.

Goldleaf is cautious about ever suggesting to agents or agencies that quoting surety should be a producer's "lead punch" or can ever be understood in the same context as quoting insurance. Generally, in our experience, it is very rare that an account will switch surety providers merely based on price. That may sound strange, since it happens all the time to insurance producers on insurance products. But surety is such a subtle and complicated product that few purchasers of surety are willing to mess up their surety relationship over price alone. They usually are motivated to move surety providers only when:

1. The current provider cannot deliver the surety capacity their company needs - when they cannot get enough bonded aggregate or the size bonds they want;
2. They have encountered a problem in their financial position that their current surety provider does not understand or cannot tolerate any longer.

Also, insurance producers need to remember that surety bonds are credit instruments, and the underwriting materials needed for them generally are not public and not always easily obtained. Usually, some fairly detailed company and confidential personal financial information is required for a surety broker to be able to quote a new program.

That is where Goldleaf Surety can step in and assist you and your agency. Our staff has the knowledge, expertise and market access to be able to provide you and your insured with the counsel and advice they need for all their surety needs. Check out the Goldleaf Bond products on www.bigimarkets.com.

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".

- Personal Liability Trends - Fireman's Fund
- TravPay
- Commercial Lessor's Risk

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- Affluent Homeowners
- Travelers Select Products (series)
- Travel Insurance
- Community Banks
- XS Flood
- Real Estate E&O
- RLI Personal Umbrella
- Affluent Homeowner
- "Oh, by the way...Flood Sale"
- Habitational
- Non-standard Homeowner
- Student Housing

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"OH BY THE WAY...FLOOD SALE" WEBINAR

Interested in learning flood marketing techniques? Participate in the "Oh, By the Way...Flood Sale" webinar presented by Big "I" Flood Program Manager, Jeff St. John. Topics in the fast-paced 1 hour presentation include: Reasons to Sell Flood Insurance · Reasons Consumers Should Buy · Limited Product Knowledge · Misconceptions by Agents & Consumers · Talking Points & Myth Busters · The Flood Risk · Flood Resources – Facts & Statistics.

Webinar dates:

- Wednesday, January 7th at 2:00 p.m. EDT
- Wednesday, February 4th at 2:00 p.m. EDT

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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. EST we'll show you how to navigate the Big "I" Markets platform, including how to submit a quote! Register for the webinar by sending an email with your name and company name to bigmarkets@iiaba.net. Include "Website Navigation Webinar" in the subject line or body of your email. A recording of this webinar can be found under "Publications" after logging into Big "I" Markets.

There will be no Training Webinar on Thursday, December 25th, or January 1st.

TWO FOR TUESDAY TRIVIA

Be one of the first five with the correct answers and win an envy-inspiring *TFT* Trivia T-shirt. **Don't forget to answer the Tie Breaker!**

1. The "traditional" portrait of the American Santa Claus was created by artist Haddon Sundblom as part of an advertising campaign for what product?
2. In what order are Hanukkah candles to be lit?
3. The name of Santa's Reindeer, Donner and Blitzen, are German for what?

TIE BREAKER

ACE's *Deductible Reserve Program* will set aside what percent of the deductible each year?

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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. 2014-15 Winter Forecast
 2. International Snow Sculpture Championship
 3. Additional Photos of snow sculptures
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BIG "I" MARKETS SALE OF THE WEEK

Congrats to our agent in Florida on a Bonds - Performance sale of **\$15,456** in premium!