

# ROCK ACSR Newsletter

“Reaching Out, Communicating, Knowledge”



INDEPENDENT INSURANCE AGENTS OF VIRGINIA

## Ask An Expert Briefs

ACSR Newsletter  
October 2014

We get anywhere from 4 - 22 "Ask an Expert" questions DAILY. Some of these Q&A's end up as articles in this newsletter or the VU research library, though many waste away on my hard drive. Periodically, when there is a short answer, we try to run these brief Q&As in this section of the newsletter. Here's the latest installment:

### BAP vs. CGL Coverage for Movement of Property by Mechanical Device

**Q.** "We have a contractor that has decided to purchase a truck with an attached gin pole winch to keep at oil/gas sites to be used to pick up equipment of others, to load on trailers owned by others, or move the items from one area to another. They are not loading or unloading supplies or equipment from their own truck, just loading or unloading from trailers owned by others. It appears this is a CGL exposure since they are not loading and unloading from their own vehicle. The truck is insured along with the permanently mounted equipment on a BAP policy with ISO form CA 00 01 03 06, but reading the exclusion of 'Operations' it appears the auto will not respond to any damages caused by the loading and unloading. The GL is ISO form CG 00 01 12 07. Also, where will we find coverage for the damage to the actual item(s) being loaded and unloaded since the CGL has the care custody or control exclusion?"

**A.** The ISO BAP covers "use" of a covered auto. That's what this sounds like. The ISO CGL definition of "loading and unloading" does not limit that definition to the vehicle in question. This is what the BAP exclusion says:

***Movement Of Property By Mechanical Device***: "Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

In other words, if the device is attached to the auto, movement of property (not just on or off the subject vehicle) is covered by the BAP, not the CGL policy. As for damage to the property being moved, neither the CGL nor BAP cover that. You'd likely need some form of inland marine coverage similar to "on hook" coverage included in forms covering tow trucks.

### Coverage for an Auto Rented for Business Use

**Q.** "A person rents a vehicle using his personal credit card and is involved in an accident while on that business trip. Have you run across issues where the person's insurance carrier has denied coverage whether it is liability or physical damage due to the vehicle being used for business? I understand that the business's hired and non-owned auto might help with the liability exposure but not for the physical damage."

**A.** The ISO PAP covers business use of rental cars, including physical damage if it's a private passenger auto, pickup truck, van, or trailer. But there are some nasty exclusions for rental or other non-owned autos on other non-ISO policies in the marketplace.

If the business has an ISO Business Auto Policy with Symbol 8 physical damage and the CA 20 54 - Employee Hired Autos endorsement, the BAP is primary. I would quote the CA 20 54 on every BAP I wrote.

### Upcoming Events:

- Oct. 31: Halloween
- Nov. 1: All Saints' Day
- Nov. 2: All Souls' Day
- Nov. 2: Daylight Saving Time Ends
- Nov. 11: Veterans Day
- Nov. 13: [IIAV Technology Conference](#)
- Nov. 20: [Up & Coming Insurance Professionals Panel](#)
- Nov. 27: Thanksgiving Day

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# ACSR Newsletter

## Are You and Your Clients Ready for a Pandemic?

By: Bill Wilson

We've been hearing about it for years now, about the allegedly very real possibility of a worldwide pandemic. Is the threat for real? And, if so, what have you done to prepare your agency to continue to operate in a highly infectious environment? If such an event occurs and impacts your business clients, are they insured for what could be a catastrophic loss of income?

Much has been written about bird flu and swine flu (H1N1 virus), so there's no need to reinvent the wheel and now there are real concerns about Ebola as the virus is being seen in the United States. Below are links to a variety of resources that will enable your agency and your customers to better prepare for a possible pandemic. While our focus is often on insuring risk, we have to recognize that not all risk can or should be insured.

In general, there should be very little in the way of P&C coverages...property, business income, liability, and workers compensation. In addition to the inherent lack of coverage, ISO and insurers have and will introduce specific exclusions such as ISO's **CP 01 40 07 06 - Exclusion of Loss Due to Virus or Bacteria**.

The lack of P&C insurance coverage means that businesses, including your agency, must use alternative risk management techniques to deal with this exposure. This may include segregating exposures via shift work or telecommuting, in addition to a myriad of loss control methods. A good starting point is to use the "Business Pandemic Influenza Planning Checklist" found under "Risk Management Planning" below to inventory your current situation. Then the other resources linked below can be used to establish a pandemic disaster plan for your agency.

### Insurance Implications in the News

- [Akron bridal store closes after talking to CDC](#), 3wykz.com  
The VU Ask an Expert received a question on how this may be covered. [Download the question & answer here.](#)
- ["Businesses wrestle with insurance in Ebola's wake"](#)  
Natalie DiBlasio, USA TODAY *\*includes quote from Dave Evans, senior vice president of the Independent Insurance Agents & Brokers of America, Inc.*
- ["What about Ebola's impact on insurers?"](#), Bruce Kennedy, CBS Moneywatch

### Risk Management Planning

- [Protecting Your Employees and Your Bottom Line from the Effects of Pandemics](#), Agility Recovery
- ["Business Pandemic Influenza Planning Checklist"](#), U.S. Department of Health and Human Services

### 2014 Ebola

- ["Ebola Virus Disease \(Ebola\)"](#), USDHHS Centers for Disease Control
- [Ebola Outbreak 2014: Information Services](#), National Library of Medicine - National Institutes of Health

### From IRMI LinkedIn board

*"How would the GL form respond to an Ebola claim? I am thinking that there would be coverage absent a communicable disease exclusion but this just came up and I am just beginning my research."*

The Big "I" Virtual University expert response: ISO has the CG 21 32 05 09 - Communicable Disease Exclusion endorsement for the CGL policy that would do the trick. Their corresponding BOP endorsement is the BP 14 86 07 13. As I recall from the ISO CGL filing, the CG 21 32 was introduced in response to concerns about bird flu and SARS transmissions. Expect insurers to use such exclusionary endorsements.

### 2009 Swine Flu

- ["Pandemic Influenza Information"](#), U.S. Office of Personnel Management
- ["A Guide to Telework in the Federal Government"](#), U.S. Office of Personnel Management
- ["One-Stop Access to U.S. Government Avian and Pandemic Flu Information"](#), U.S. Department of Health and Human Services
- [Property and the H1N1 Virus: Is My Business Covered?](#), AON
- [Infectious Disease in the Workplace White Paper](#), AON

**Last Updated:** October 17, 2014, October 20, 2009

# ACSR Newsletter



## UPDATES AND UPCOMING EVENTS

### Agency Technology Guru, Steve Anderson, Coming to IIAV

IIAV will be hosting a one-day seminar regarding Technology and Cyber Liability on November 13 from 9:00 am to 4:00 pm at IIAV in Richmond.

This seminar will feature renowned insurance technology expert [Steve Anderson](#), presenting **“Technology Tools that Build, Manage and Add Profit to Your Agency.”** Steve has 30+ years in the insurance industry and speaks professionally to hundreds of agents at educational events, state association conferences and technology forums on the future of technology, the social web, and how insurance agencies can establish their Internet presence. He has authored many articles that have appeared in virtually every insurance industry publication. Those who attend Steve’s programs always leave with valuable technical information on how they can use technology to increase revenue and/or reduce expenses.

Also featured will be Sharon Koches, CPCU, RPLU, AAI, AU, ITP, who is the Assistant V.P. of Insurance Operations & Technical Affairs for the North Carolina Big “I”. Sharon will present **“Dissecting the Cyber Liability Policy – Don’t Sell What’s Not There” (3 VA P&C)**. Attendees will discover what cyber exposures are lurking out there, what coverages are and are not provided in existing property and liability policies, and what Cyber Liability Insurance does or should cover.

**Space is limited**, so don’t delay in registering for this dynamic event being held at IIAV in Richmond on November 13<sup>th</sup> from 9am to 4pm.

The cost is only \$99 (lunch included).

**We would like to thank our company sponsors for their support of this special event:**

- AJ Wayne
- Arlington/Roe
- Berkley Mid-Atlantic Group
- Southern Insurance Company of Virginia

[Click here to register!](#)

### Looking for Guest Speakers in the Northern Virginia Area

It is that time of year again when schools start looking for volunteers to come into their classrooms to speak on different topics.

We are currently working with two schools that are need of guest speakers. Here are the dates and topics:

#### James Wood High School: Winchester, VA

- Nov. 17 (7:55-11:05) – Risk Management & Insurance Basics
- Nov. 17 (11:10-2:30) – Risk Management & Insurance Basics
- Nov. 19 (7:55-11:05) – Auto & Home
- Nov. 21 (7:55-11:05) – Life & Health
- Nov. 21 (11:10-2:30) – Life & Health

#### Liberty High School: Bealeton, VA

- Any day the week of Nov. 17-21 from 9:30-12:30 on Insurance for the Real World

Please email Kristina Preisner, [kpreisner@iiv.com](mailto:kpreisner@iiv.com) if you are able to fill one of these time slots.

### Final Regional Social Taking Place in NOVA on Nov. 13

Thank you to everyone who attended the Western Virginia Networking Social on October 23. You can view pictures from this event by clicking [here](#).

The final regional social is coming up next month.

- [November 13 – Northern Virginia Networking Social](#) at Dogfish Head Alehouse in Fairfax

Please register ahead of time for these FREE events so we know how many people will be attending.

To find out more about these events or get more involved with the Young Agents’ group please contact Kristina Preisner, [kpreisner@iiv.com](mailto:kpreisner@iiv.com).

# Education....Continuing Your Road to Success

Upcoming Classes	Upcoming Webinars
<p><b>ABEN Webcasts (Webinar in Video Format – No Exam Required)</b>  <a href="#">Nov. 4 (11:00-12:00): IRA Fundamentals &amp; Small Business Retirement Plans</a>—Course # 210953 (1 L&amp;H) \$24/\$34  <a href="#">Nov. 4 (12:00-1:00): Annuity Basics and Where They Fit</a> – Course # 210954 (1 L&amp;H) \$24/\$34</p> <p><b>Manassas – Hampton Inn - 7295 Williamson Blvd. (20109)</b>  <a href="#">Nov. 13 (9:00-4:00): ACSR Mod 8-Com. Auto</a>—Course #208293 (6 VA P&amp;C/6 WV General) \$105/\$135</p> <p><b>Manassas – NOVA Community College: Innovation Park - 9485 Innovation Dr. (20110)</b>  <a href="#">Nov. 12 (9:00-12:00): FEMA Flood Insurance Basic Course</a>—Course #208545 (3 VA L&amp;R) \$45/\$60  <a href="#">Nov. 12 (12:30-3:30): Ethics &amp; Business</a>—Course #208317 (3 VA Ethics) \$45/\$60  <a href="#">Nov. 12 (3:30-5:30): Agents Standard of Care</a>—Course #208212 (2 VA L&amp;R) \$30/\$40  <a href="#">Nov. 17-19 (9:00-6:00): Property &amp; Casualty Pre-Licensing (NA) \$300</a>  <a href="#">Nov. 20 (8:30-5:00): AAI 83 C-Agcy Mgmt Tools &amp; Processes</a>—Course #208285 (8 VA OGI) \$165/\$215  <a href="#">Dec. 8-9 (9:00-6:00): Life Pre-Licensing (NA) \$175</a>  <a href="#">Dec. 10 (9:00-6:00): Health Pre-Licensing (NA) \$125</a>  <a href="#">Dec. 11 (9:00-4:00): ACSR Mod 9-Com. Lines Cvgs.</a>—Course #208294 (6 VA P&amp;C/6 WV General) \$105/\$135</p> <p><b>Richmond - IIAV – 8600 Mayland Dr. (23294)</b>  <a href="#">Nov. 5 (8:30-10:30): Agents Standard of Care</a>—Course #208212 (2 VA L&amp;R) \$30/\$50  <a href="#">Nov. 5 (10:30-12:30): Certificates of Insurance</a>—Course #208908 (2 VA P&amp;C) \$40/\$55  <a href="#">Nov. 5 (1:00-3:00): Traps &amp; Tricks of CGL</a>—Course #201387 (2 VA P&amp;C) \$30/\$40  <a href="#">Nov. 5 (3:00-5:00): 2014 Laws &amp; Regs</a>—Course #210246 (2 VA L&amp;R) \$30/\$40  <a href="#">Nov. 6 (9:00-4:00): ACSR Mod 8-Com. Auto</a>—Course #208293 (6 VA P&amp;C/6 WV General) \$105/\$135  <a href="#">Nov. 6 (8:30-5:00): AAI 83 C-Agcy Mgmt Tools &amp; Processes</a>—Course #208369 (8 VA OGI) \$165/\$215  <a href="#">Nov. 12 (9:00-4:00): E&amp;O: The Challenge of Change</a>—Course #208589 (6 VA OGI) \$105/\$135 **  <a href="#">Nov. 17-20 (8:30-4:30): Property &amp; Casualty Pre-Licensing (NA) \$300</a>  <a href="#">Nov. 19 (8:30-5:00): CRIS-Workers Comp for Contractors</a>—Course #208334 (8 VA P&amp;C) \$150/\$195  <a href="#">Dec. 3 (9:00-4:00): ACSR Mod 9-Com. Lines Related Cvgs.</a>—Course #208294 (6 VA P&amp;C/6 WV General) \$105/\$135  <a href="#">Dec. 4 (9:00-4:00): E&amp;O: The Challenge of Change</a>— Course #208589 (6 VA OGI) \$105/\$135 **  <a href="#">Dec. 8-9 (8:30-5:30): Life Pre-Licensing (NA) \$175</a>  <a href="#">Dec. 10 (8:30-5:30): Health Pre-Licensing (NA) \$125</a>  <a href="#">Dec. 11 (8:30-10:30): Privacy-Cyber Liability</a>— Course #205319 (2 VA L&amp;R) \$40/\$55  <a href="#">Dec. 11 (10:30-12:30): 2014 Laws &amp; Regs</a>—Course #210246 (2 VA L&amp;R) \$30/\$40  <a href="#">Dec. 11 (1:00-3:00): Lessons Learned from E&amp;O</a>—Course #201385 (2 VA OGI) \$30/\$40  <a href="#">Dec. 11 (3:00-5:00): Ethics 101</a>—Course # 208911 (2 VA Ethics) \$30/\$40  <a href="#">Dec. 15-18 (8:30-4:30): Property &amp; Casualty Pre-Licensing (NA) \$300</a></p> <p><b>Roanoke – Roanoke Higher Education Center - 108 N. Jefferson St. (24016)</b>  <a href="#">Nov. 20 (9:00-4:00): ACSR Mod 8-Com. Auto</a>—Course #208293 (6 VA P&amp;C/6 WV General) \$105/\$135  <a href="#">Dec. 11 (9:00-4:00): ACSR Mod 9-Com. Lines Related Cvgs.</a>—Course #208294 (6 VA P&amp;C/6 WV General) \$105/\$135</p> <p><b>Virginia Beach – Sandler Center - 201 Market St. (23462)</b>  <a href="#">Nov. 5 (8:30-10:30): Traps &amp; Tricks of CGL</a>—Course #201387 (2 VA P&amp;C) \$30/\$40  <a href="#">Nov. 5 (10:30-12:30): Traps &amp; Tricks of Com. Property</a>—Course #201386 (2 VA P&amp;C) \$30/\$40  <a href="#">Nov. 5 (1:00-3:00): Lessons Learned from E&amp;O</a>—Course #201385 (2 VA OGI) \$30/50  <a href="#">Nov. 5 (3:00-5:00): Ethics 101</a>—Course # 208911 (2 VA Ethics) \$30/\$40  <a href="#">Nov. 12 (8:30-5:00): CRIS-Workers Comp</a>—Course #208334 (8 VA P&amp;C) \$150/\$195  <a href="#">Nov. 18 (8:30-5:00): AAI 83 C-Agcy Mgmt Tools &amp; Processes</a>—Course #208369 (8 VA OGI) \$165/\$215  <a href="#">Dec. 3 (9:00-4:00): ACSR Mod 9-Comm Lines Related Cvgs.</a>—Course #208294 (6 VA P&amp;C/6 WV General) \$105/\$135</p> <p><a href="#">Click here for the full list of classes.</a></p>	<p><a href="#">Nov. 6 (9:30-11:30): 2014 Laws &amp; Regs</a>            Course #210246            (2 VA L&amp;R) \$40/\$55</p> <p><a href="#">Nov. 10 (9:30-10:30): Commercial Auto &amp; The Rental Car Issue</a>            Course #208547            (1 VA P&amp;C) \$25/\$35</p> <p><a href="#">Nov. 12 (9:30-11:30): Excess &amp; Surplus Lines</a>            Course #203208            (2 VA P&amp;C) \$40/\$55</p> <p><a href="#">Nov. 13 (9:30-11:30): Traps &amp; Tricks of CGL</a>            Course #201387            (2 VA P&amp;C) \$40/\$55</p> <p><a href="#">Nov. 18-19 (9:00-12:00): E&amp;O Risk Mgmt: Challenge of Change</a>            Course #208589            (6 VA OGI) \$105/\$135 **</p> <p><a href="#">November 18 (2:00-4:00): Monitoring Insurer Stability &amp; Solvency (NA) \$59</a></p> <p><a href="#">Nov. 20 (9:30-11:30): Traps &amp; Tricks of Commercial Property</a>            Course #201386            (2 VA P&amp;C) \$40/\$55</p> <p><a href="#">Nov. 21 (9:30-10:30): Ethics: Not What You Think!</a>            Course #208550            (1 VA Ethics) \$25/\$35</p> <p><a href="#">Dec. 2 (9:30-11:30): 2014 Laws &amp; Regs</a>            Course #210246            (2 VA L&amp;R) \$40/\$55</p> <p><a href="#">Dec. 3 (9:30-11:30): Agents Fighting Fraud</a>            Course #209719/208983            (2 VA Ethics) \$40/\$55</p> <p><a href="#">Dec. 4 (9:30-11:30): Privacy-Cyber Liability</a>            Course # 205319            (2 VA L&amp;R) \$40/\$55</p> <p><a href="#">Click here for a full list of webinars.</a></p> <p><b>** This class may qualify your agency for a loss control credit through IIAV's Westport and Fireman's Fund E&amp;O programs.</b></p>



Virginia's Independent Spirit Since 1898!

INDEPENDENT INSURANCE AGENTS OF VIRGINIA

IIAV  
8600 Mayland Dr.  
Richmond, Virginia 23294  
Phone: 804-747-9300  
Fax: 804-747-6557  
Website: [www.iiav.com](http://www.iiav.com)



## Take A Moment To Relax:

### Random Facts for Your Next Conversation

*Here are a few interesting facts for the next time you are at a dinner party .*

1. In 1900, The Goelitz Candy Company began making candy corn.
2. Each piece of candy corn has 7 calories.
3. Candy corn comes in different colors for different holidays.
4. Over 35 million pounds of candy corn will be made this year.
5. National Candy Corn Day is Thursday, October 30.

### IIAV Services:

- **Find a Market:**  
Find the coverage you need for your client
- **Criminal Background Checks:**  
Completed in 3-5 days rather than 6 weeks.
- **Career Center:**  
Find your next great hire or intern.
- **Virtual University:**  
Articles relating to insurance, business, technology and more.

These services and more can be found at [www.iiav.com](http://www.iiav.com)

### Recipe of the Month



#### **Pecan Sticky Rolls**

A tasty breakfast treat.

[Click here to view!](#)

### Quote of the Month

*People rarely succeed unless they have fun in what they are doing."*

~ Dale Carnegie, American writer and lecturer