

TWO FOR TUESDAY from Big "I" Markets

PROTECTING NON-PROFITS, SHIPPING SAVINGS, & FUNDS TRANSFER FRAUD - BANK EXPOSURE

ARE YOUR NON-PROFITS FULLY PROTECTED?

By: Kimberly Fynes, *Underwriting Supervisor*, Philadelphia Ins. Co.

A grant making foundation receiving private donations was alleged to have used those funds for purposes not associated with the foundation's underlying mission. A group of supporters sued the foundation's board alleging misappropriation of funds and breach of duty. Defense costs exceeded \$65,000.

Most traditional insurance policies that a non-profit will purchase (Auto, Property, etc.) won't provide coverage for the above scenario. Let Philadelphia Insurance provide you with a solution through their comprehensive Flexi Plus Five product. The policy form offers a suite of five different coverages including: Directors and Officers, Employment Practices, Fiduciary Liability, Workplace Violence and Internet Liability.

Key Benefits include:

Broad definition of Claim includes written demand for monetary and non-monetary relief, arbitration, and administrative proceedings, as well as civil and criminal actions · Optional selection of counsel - Insured may choose defense counsel or tender the defense to the Underwriter · Defense Costs are in addition to the Limit of Liability · Most favorable venue wording for punitive, multiple, or exemplary damages · Modified consent to settle (hammer) clause - 50/50 with a 10% retention reduction for the Insured's acceptance of the first settlement offer · For profit subsidiary coverage available by endorsement · Definition of Individual Insured includes lawful spouse/domestic partner, the estate, and heirs · Personal & Advertising Injury coverage · Definition of Individual Insured includes global equivalents · True Worldwide coverage territory · Automatic acquisitions coverage for non-profit entities coming within the Insured organization's control during the policy period (up to 35% of assets)

What types of non-profits are eligible?

- Associations
- Chamber of Commerce
- Church
- Daycare Center
- Foundation
- Social Club
- Private K-12 Schools
- YMCA

Just to name a few...

Complementary Products:

- Employed Lawyers Protection Plus
- Crime Protection Plus
- Cyber Security Liability
- Non-Profit & Social/Human Service Package

To learn more about this market or to submit a risk, visit Big "I" Markets.

SPECIAL FEATURE:

Take Advantage of Exclusive Savings on Shipping

By Elif Wisecup, *Director of Marketing* of Big I Advantage®

Is your agency one of the thousands of Big "I" members taking advantage of exclusive member savings on shipping with UPS?

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As long as you're a Big "I" member in good standing, you can take advantage of competitive shipping savings rates available from UPS. Whether you need your documents or packages to arrive the next day or you're simply looking for the most affordable shipping option, UPS understands the importance of reliability, speed and savings.

UPS discounts can help your bottom line by saving you:

- Up to 34% on UPS Air letters including UPS Next Day Air
- Up to 30% on UPS Air packages weighing more than one pound
- Up to 32% on UPS International imports and exports
- Up to 16% on UPS Ground shipments
- 70% or more on UPS Freight shipments more than 150 pounds

These discounts are available even if you already have a UPS account. To enroll and start saving, visit savewithups.com/iiaba or call 1-800-MEMBERS (1-800-636-2377) Monday-Friday from 8 a.m.-6 p.m.

FUNDS TRANSFER FRAUD BANK EXPOSURE

The Nigeria funds transfer scam is the most famous of what is referred to as a "419 scam" from the Nigerian Criminal Code dealing with fraud. You get a letter from a Nigerian prince promising millions of dollars if your banking account can be used to transfer a huge sum of money out of his country. All you have to do is put up a small "transfer fee" first and give over control of your account. Believe it or not people still fall for some variation of this scam and it is still used because of the low cost and ease of use of bulk email. Only a minute fraction have to take the bait.

Phishing (examples) is using Instant messages or email to initiate contact that will eventually get a person or business to reveal confidential information. With that the criminal can gain access to bank/credit accounts or to create new credit instruments in the victim's name. SMiShing (SMS phishing) is using texts and Vishing (voice phishing) is using the phone to initiate the contact. In some vishing cases the scammer will tell the victim their accounts may have been compromised and instruct them to contact their bank using the number off their bank statement. The victim hangs up but the scammer does not, sometimes remaining connected. When the victim picks up the phone again they hear a fake dial tone and are eventually connected to another scammer who is able to gather all the confidential information they need.

Once they have access to the individual or business accounts on-line banking has made the act of stealing money faster. The actual transfer takes places in milliseconds and the money can be transferred to untouchable off-shore accounts automatically.

Even though the security breach was completely on the customer side the bank can be facing potential legal, regulatory, and even reputational issues. Besides just educating their employees and customers there are a multitude of steps the bank can put in place that can reduce the likelihood a fraudulent transaction is successful. Automated Clearing Houses, Multi-layer authentication (passwords, secret questions, PINs, disconnected tokens, etc.) and Payment Factories, among others. For more information check out "**Fraudulent Funds Transfer-What You Need to Know**" a Q&A with Tracey Santor, CPCU, AFSB, AIC, bond product manager, financial institutions, Travelers Bond & Specialty Insurance.

The Travelers **Community Banks Business Insurance Program** can be accessed through www.bigimarkets.com. Once you submit the initial request on Big "I" Markets the Travelers' underwriters will guide you through the process of quoting and presenting the coverages to your client.

WEBINARS

ACT presents "The Customer Experience Journey"

June 22, 2015; 1:00 - 3:00 p.m. Eastern Time
\$59 - [Click here to register](#)

On Monday, June 22nd Claudia McClain and Judy DeLaRosa, the co-chairs for Agents Council for Technology ('ACT') 'Customer Experience' Work Group will present a webinar to walk through ACT's "CX Recommendations" document and discuss the top implementations within each phase that can help agents plan and elevate their technology strategy and explain the critical role Customer Experience plays in every consumer and client interaction. Don't miss a chance to review and refine your customer service experience journey and learn more about resources for your agency.

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Other upcoming VU webinars include the free webinar on the Biggest Homeowners Insurance Change in 40 Years Explained, Data Breach, The New Wild West? Cyber Risk Exposures and Insurance and Beyond the Basics: Emerging Issues Personal Lines Issues. VU webinar questions can be sent to bestpractices@iiaba.net.

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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
- 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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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.

STUDENT OF THE INDUSTRY PARTING SHOT

Uninsured Potential of City Renters

By Paul Buse, *President of Big I Advantage*

The United State census tells us that 65% of the 123 million U.S. Householders own their homes. A University of Michigan Transportation Research Institute study says just over 9% of US households are car-free. Combining these statistics and as insurance agents you see the Venn diagram below. That is, there are about 66 million home-auto clients out there, 45 million renter-auto, 7 million home-only and 5 million renters with no car clients...and as Two for Tuesday readers you know they ALL NEED UMBRELLAS.

For me the most compelling figure is the last one as there is so little competition and that figure is expected to grow. At a conservative estimate of \$1,000 premium per household, that is \$5 billion in premium potential. The question is who has the product? Do you know or have an opinion? Email me at Paul.Buse@iiaba.net.

123 Million U.S. Households

7 Million: Own Home but no auto	5 Million: Rent and no auto
66 Million: Own Home and auto	45 Million: Rent and auto

Source: Estimate based on U.S. Census and Wikipedia

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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. Real Life Personal Umbrella Claims Examples
 2. RLI page on IIABA
 3. Biggest Homeowners Insurance Change in 40 Years Explained
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BIG "I" MARKETS SALE OF THE WEEK

Congrats to our agent in Illinois on an affluent homeowner sale of **\$9,831** in premium!