

Quality Notes

APRIL 2010 VOLUME 1, ISSUE 2

Exciting Changes

Welcome to our second issue of "Quality Notes" Hopefully you'll recognize the changes since our last issue. We appreciate all of your comments and appreciate your business.

We are proud to announce that we are going to be moving on June 1st to a new location just a couple of blocks away. Please look for a postcard and an e-mail in May with the details. Even if you don't come to the office on a regular basis, please stop by this summer to say hello and see our new place.

Speaking of changes, don't forget with the change of seasons, many of you are taking and putting items into and out of storage and need to contact us about that.

If you haven't had a chance to spend time on our website and see all the exciting new items available to you, please do. The Web address is www.qualityinsuranceservice.com.

Thanks again for allowing us to serve your needs and best wishes for a fun and safe summer.

Make Sure Your Summer Toys Are Covered



With summer in full swing, it's a great time for outdoor recreation. Are you protected? Do you have the appropriate coverage for your motorcycles, vacation trailers, campers, motorhomes, boats, personal watercrafts or recreational vehicles such as ATVs and golf carts?

Here are some examples of coverage that you may want or need:

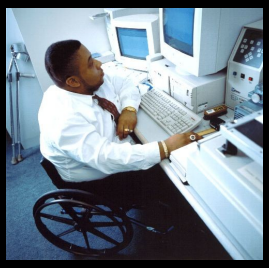
- Liability coverage is for the use of your unlicensed recreational vehicle off your own property.

- Expense reimbursement up to $35 each consecutive day a vacation trailer is uninhabitable due to loss or damage while you are on vacation.

- Affordable coverage for contents of a motorhome. Included in the standard contents coverage for a trailer is the option to purchase more coverage if needed.

- Total loss to a motorcycle. Under certain conditions, your motorcycle will be replaced with a new motorcycle or the original purchase price will be paid.

Call us or stop by our office to learn more!







Protecting Your Most Valuable Asset: You!

Have you ever considered that your ability to earn an income is one of the most valuable assets you have? What would happen to your assets—such as home, car, education and investments—if you become disabled due to a sickness or an accident?

Disability income is an insurance policy that provides money to replace this lost income if you were to become disabled. We can tailor coverage based on your current needs.

A few of the many features of the disability income product include: coverage for disability 24 hours a day, anywhere in the world; guaranteed renewability to age 65; premiums waived during disability; and multiple waiting periods from which to select.

Coverage cannot be canceled by the company because of poor health, past claims, hazardous occupation or any other reason.

Finally, with the purchase of disability income protection, you may qualify for up to a five percent life multi-policy discount on your home or car policy, and up to two percent on commercial policies already issued (not available in all states). What a savings opportunity!

Contact our agency to learn more about protecting your family and your most valuable asset: you!

Keep Track of Your Stuff...Just in Case

It's a fact of life: We all need to make an effort to keep track of the things we accumulate throughout our busy lives. We can't seem to leave the house without our cell phone, PDA or laptop, but yet how many of us take the time to complete a personal property inventory to track all the "stuff" we cannot live without?

Why is it important to keep track of all of our "stuff"? Failing to complete an up-to-date property inventory could mean unnecessary stress in the event you suffer a loss. After the emotional strain of a catastrophic fire, burglary or other serious loss, it is often difficult to easily recall a complete list of personal property... all that "stuff" that we just cannot live without.

The good news is that given today's technology, keeping track of your personal property is faster and easier than ever. Here are a few suggestions to create a comprehensive personal property inventory:

- Complete a personal property inventory form available from your agent.
- Photograph each room in your home—and don't forget to include those closets and drawers. Remember your garage, basement and storage shed.
- Video record the rooms of your home. Talk during your video tour and mention the price, date and location where items were purchased. It's virtually impossible to keep receipts for all of your purchases. The more information you have at the time of a loss, the easier it is to replace your belongings.
- Use an on-line inventory system such as www.iii.org/software.

Whichever method you choose, it is important to take the time to create a comprehensive inventory of your possessions, and then store this information in a safe place. It's a good idea to store a second copy of this list either in a fireproof safe, with another family member or even in a safe-deposit box. You never know when you may have to recall "all your stuff."

Do You Volunteer Your Time AND Insurance?



Millions of Americans donate time—their most valuable asset—to serve as a volunteer board member on non-profits, booster clubs, churches, PTAs and civic organizations, just to name a few. The decisions these folks make can have a dramatic impact on their respective organization—and not always for the better. If a volunteer endeavor goes bad, would a volunteer board member have coverage against a lawsuit under his or her homeowner's policy?

Homeowners' Insurance

The last thing volunteers want to consider is what would happen if their favored organization file suit against them as a result of their efforts. But it happens, and not infrequently. This does happen, especially when volunteers make decisions that directly influence the finances of an organization. Often, the only insurance these volunteers have to back their efforts is a homeowner's policy. Unfortunately, this policy may be of little assistance.

The reason homeowners' policies do not usually cover liability stemming from actions as a volunteer is the nature of the claim. The policy is designed to cover claims of "bodily injury," such as someone slipping on cracked pavement in your driveway; and/or "property damage," such as accidentally setting your neighbor's house ablaze when burning some brush on a windy day.

Claims against board members do not usually involve bodily injury or property damage. Rather, they involve bad decision making that results in financial loss to the organization, such as the decision to invest in an IT system that turns out to be a debacle, costing the organization tremendous time and money.

There is another problem. Homeowners policies do not cover "professional services." This is important to note, because board members are often asked to serve in a capacity consistent with their profession. For example, a church member who is a CPA may be asked to serve on the church's board as finance chairman. Even though he is not paid for his services, the "professional services" exclusion under his homeowner's policy would still apply.

In addition to the above, homeowners policies do not cover claims of personal injury unless this coverage is specifically added. Personal injury insurance is added to the homeowner's policy to cover claims such as libel, slander, wrongful eviction, and false advertising.

What to Do

Events causing claims are unpredictable. While the reasons shown above prove it's unlikely, not all claims against volunteer board members are excluded by a homeowners policy. Decisions to purchase personal injury coverage and a personal umbrella policy will increase your ability to find coverage for a suit against you.

The best method for insuring the actions of board members is for the organization to purchase a directors and officers (D&O) liability policy. These policies are relatively inexpensive for most non-profits. Before volunteering, request information on the organization's D&O policy. The absence of this insurance leaves you at risk of having no personal insurance to defend a suit brought against you by the organization and should influence your decision to serve.

Please call our office to determine if your volunteer activities are covered and if your insurance limits should be increased.

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A young man walked into an insurance office to purchase coverage for his new motorcycle. Only one question confused him. "Do you have a lien holder on the vehicle?" "I've got a kickstand," the prospect replied. "Is that the same thing?"

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Protect Yourself and Your Business with EPL Coverage

Close your eyes for a minute. Imagine yourself sitting in your office, straightening up your desk and preparing your schedule for tomorrow. There is a knock at the door. Joe, your most loyal employee, would like to speak with you.

You greet Joe and offer him a seat, but you can tell something is wrong. Joe feels he was the best candidate for the new supervisor position, and informs you he will be taking you to court for wrongful failure to promote. You are in disbelief, second-guess your decision, and panic sets in. Now open your eyes, take a deep breath and relax; you have Employment Practices Liability (EPL) coverage on your policy.

In today's sue-happy world, where many people are out to make a quick dollar, it is now more important than ever to properly protect yourself and your business. Employees are increasingly aware of their rights and the laws, especially with respect to discrimination and harassment, leading to a sense of entitlement, where employers are now forced to spend significant amounts of money to fight groundless allegations.

Consider:

- In both 2006 and 2007, more than 100,000 EPL charges were filed with federal and state agencies each year.
- 52 percent of those charges were filed against small businesses.



- 81percent of those charges were settled out of court for between $22,400 and $40,500.
- Roughly 75 percent of the cases that went to court were found groundless, but still required defense costs in excess of $10,000.

The numbers are staggering and have the potential to cause significant setbacks to any company, but we offer EPL coverage to help protect you and your business. For more information, contact our agency.

The purpose of this newsletter is to provide information about industry trends and news of general interest to our clients, potential clients and other professionals. Information about product offerings, services or benefits is illustrative and general in description, and is not intended to be relied on as complete information. Please contact your agent if you need further information.

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