

The Corporate Insurance Executive

INSIDE THIS ISSUE:

Terrorism Insurance	1
Homeowner's Flood Ins.	1
M & A Checklist	2
Market Highlights (if you missed the driver's test)	3
Notices	4

Terrorism Insurance

Perspectives: Terrorism Cover Gets More Complex With Over- Abundant Capacity and Less- Predictable Enemies

August 22, 2011 |
A.M. Best Company,
Inc.

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A.M. Best Company, Inc.
Source: A.M. Best
Company, Inc.

In the post-Sept. 11 era, terrorism threats are never out of mind for property/casualty insurers and reinsurers, and while industry observers say large,

well-organized attacks by groups such as al-Qaida appear less likely, the threat of home-grown terrorism appears to be growing.

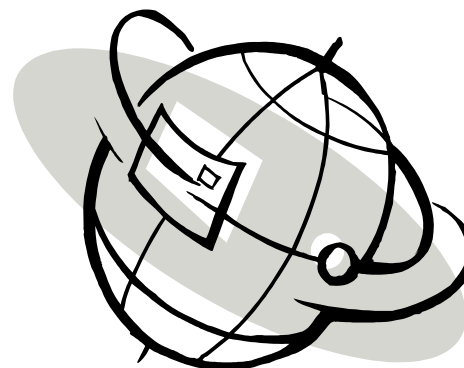
In a recent report on terrorism, reinsurance broker Guy Carpenter & Co. said terrorism continues to "pose a serious risk" to insurers and reinsurers.

Although big, costly attacks such as those of Sept. 11, 2001, the

2003 train bombings in Spain and the 2007 London bombings, have not been repeated in recent years, Guy Carpenter said "global recorded terror attacks are at historically high levels."

The remainder of this article can be found at InsuranceNewsNet.com

<http://insurancenewsnet.com/article.aspx?id=273881&type=lawregulation&nl=1>



Homeowner's Flood Insurance

Insurance Firms Waive Conn. Hurricane Deductibles

September 06,
2011 | Associated
Press

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Source: Associated
Press

HARTFORD, Conn. --
Connecticut officials
have announced that
several more insurance

companies have agreed to waive higher-cost hurricane deductibles for coastal property owners whose homes were damaged by Tropical Storm Irene. Gov. Dannel P. Malloy and Insurance Commissioner Thomas B. Leonard announced

Homeowner's Flood Insurance (cont'd)

Tuesday that Allstate, Bunker Hill, Connecticut FAIR Plan, Farm Family, Farmers Insurance, Fidelity National, Privilege Underwriters Reciprocal Exchange, Quincy Mutual Fire Insurance Co. and Universal North America have joined more than a dozen other companies to waive the deductibles.

Several companies initially pledged to waive the deductibles Friday.

Malloy praised the companies for giving customers what he says is a much-needed financial break.

Risk Manager's M & A Checklist

One of the most important situations a risk manager will face in his/her career is when management announces the company is merging with another organization. If the risk manager is lucky he/she will be on the acquiring side of the transaction, but that's just the start of a whirlwind of insurance activity for both organizations.

The first task facing the risk manager is usually to provide the M&A team with a set of insurance information requirements, which if fulfilled will help the risk manager smoothly integrate the new exposures into the company's insurance programs. The easiest way to get started and help your in-house M&A team is to have an easy to read check list available. This will get things moving quickly in the right direction. It's just a start, but will pay big dividends as the merger progresses.

The following is the beginning of a basic checklist I have used successfully over the years:

- I) General:
- a) Complete copies of current Property/Casualty insurance policies, specifically
 - i) Workers Compensation / Employer's Liability
 - ii) Comprehensive General Liability (& Products Liability if separate)
 - iii) Auto Liability
 - iv) Fire/Property Damage & Business Interruption insurance
 - v) Crime/Fidelity
 - vi) Directors & Officers (D&O) Liability
 - vii) Fiduciary Liability
 - viii) Professional (Errors & Omissions) Liability
 - ix) Aviation Products & Aircraft Hull & Liability
 - x) Umbrella/Excess Liability
 - xi) Other (product recall/political risk/project special, etc.)
 - b) For each policy listed above which may not be available, please show:
 - i) Insurer name
 - ii) Policy number
 - iii) Inception/Expiration dates
 - iv) Limits (occurrence/aggregate)
 - v) Name of placing broker
 - c) Identify all open which have deductibles, or Self-Insured Retentions, including retrospective plans, etc.
 - d) Schedule of losses/claims and their \$ values for the last 5 years,

***Note:** A Risk Manager's M & A Checklist can not only help the insurance integration go well, but your legal department and other M & A teams will appreciate you stepping up to help in a programmed and professional manner.*

Market Highlights

GMAC Insurance Study: Nearly 1 in 5 American Drivers Unfit for the Road

May 26, 2011 | PR Newswire Association LLC

Copyright: © 2011 PR Newswire Association LLC
Source: PR Newswire Association LLC
GMAC Insurance National Drivers Test results revealed that nearly 1 in 5 drivers on the road today cannot meet the basic requirements to get a driver's license, meaning that 36.9 million American drivers – roughly 18 percent – would not pass the written drivers test if

taken today. Kansas continued their reign in first place (82.9 percent average score), while New York was bumped from last by Washington, D.C. (71.8 percent average score). Take the test and view the full results at

[Click to Take the Driver's Test](#)

The remainder of this article can be found at [InsuranceNewsNet.com](http://insurancenewsnet.com/article.aspx?id=262967)
<http://insurancenewsnet.com/article.aspx?id=262967>



Eqecat Says Virginia Quake Is 'Wake-up Call'

September 12, 2011 | A.M. Best Company, Inc.

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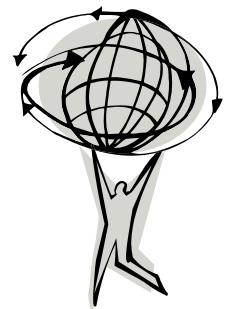
Source:A.M. Best Company, Inc.

The magnitude 5.8 earthquake that struck central Virginia on Aug. 23 is a "wake-up call" to pay attention to seismic zones in the Eastern United States, catastrophe risk modeler Eqecat said. The U.S. Geological Survey estimates the New York City metro area has a higher seismic hazard than central Virginia, and if a magnitude 5.5 quake were to hit New York City, Eqecat estimates

insured losses could be in the range of \$10 billion to \$20 billion. Eqecat estimates insured losses from the Aug. 23 quake, which struck a sparsely populated area in Virginia, but was felt from Atlanta to Toronto, to be less than \$100 million.

The remainder of this article can be found at [InsuranceNewsNet.com](http://insurancenewsnet.com/article.aspx?id=276634)

<http://insurancenewsnet.com/article.aspx?id=276634>



A.M. Best Special Report: Reinsurers Are Ready to Move as the Market Begins to Stir

September 06, 2011 | A.M. Best Company, Inc.

May 31, 2011 | A.M. Best Company, Inc.

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Source:A.M. Best Company, Inc.

Hopeful signs are emerging for the global reinsurance industry after years of a soft market, weak investment returns, lukewarm investor interest and sluggish consolidation activity. The bottom line has been squeezed, and capacity has been dampened. Favorable loss-

reserve development that bolstered 2010 underwriting performance is unlikely to be duplicated in 2011. Catastrophe losses – estimated as high as USD 60 billion for the first half of 2011 – have diminished last January's robust capital position.

The remainder of this article can be found at [InsuranceNewsNet.com](http://insurancenewsnet.com/article.aspx?id=275772&type=reinsurance)
<http://insurancenewsnet.com/article.aspx?id=275772&type=reinsurance>

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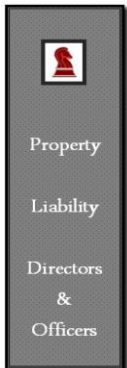
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<http://www.durhamrisk.com>

Joseph Rinaldi has over 35 years experience aligning insurance & risk control strategies to organizations and their unique challenges.

He specializes in the design and implementation of value-added corporate risk and insurance programs.

Some available services are:

- Broker selection
- Risk identification
- Property conservation
- Product liability
- Cargo
- Captives
- Directors & Officers



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