



President Signs TRIA and NARAB II into Law

ACSR Newsletter
January 2015

Upcoming Events:

- Feb. 1: Super Bowl Sunday
- Feb. 2: Groundhog Day
- Feb. 4: Tu Bishvat
- Feb. 14: Valentine's Day
- Feb. 16: President's Day
- May 17: Mardi Gras
- Feb. 18: Ash Wednesday
- Feb. 19: Chinese New Year
- Feb. 26: [IIAV Bowling Night](#)



In one of the most consequential legislative victories for the Big “I” in years, President Obama signed into law a bill extending the Terrorism Risk Insurance Act (TRIA) program and establishing the National Association of Registered Agents and Brokers (NARAB II) on Jan. 12.

Just days prior, during the first week of the 114th Congress, both the U.S. Senate and House of Representatives passed H.R. 26, the “Terrorism Risk Insurance Program Reauthorization Act of 2015,” by overwhelming margins. This legislation extends the TRIA program for six years and creates a permanent NARAB.

The TRIA/NARAB II package is the first piece of legislation the President signed into law in the 114th Congress.

The Big “I” has made several resources available to Big “I” members that provide information and guidance on this new law, including a [one-page NARAB II summary](#) and two short videos in which Charles Symington, Big “I” senior vice president of external and government affairs, explains [TRIA](#) and [NARAB II](#) highlights.

[Wyatt Stewart](#) is Big “I” director of federal government affairs. [John Prible](#) is Big “I” vice president of federal government affairs.

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Did You Get a Drone for Christmas?

By: David Sanborn

I gave a class in November in Connecticut and at the end of class an attendee came up and asked me about “drones.” Apparently, one of her large commercial clients has started to use drones for a variety of commercial reasons and wondered about the “aircraft exclusion” under the ISO CGL (they are not concerned with the property coverage). We chatted about it and I decided this would make a great article. Also, to make this even more interesting, ISO has announced new optional exclusion endorsements and coverage endorsements for the CGL and other commercial liability policies on this very topic. The edition date of these various endorsements is 6/1/15. I will get into the commercial side with [another article](#) but decided to start on the personal side.

Some history—I will put this in the “*you are probably too young to remember...*” category but there was a famous HO case back in the 70’s. The HO carrier was INA (as I said --- you are probably too young to remember, but, INA was the first company to come out with an HO policy back in the 50’s). An INA insured person was flying a radio controlled model airplane. He lost control and it hit a woman at a swim meet. She suffered bodily injury and sued him. He turned it into his HO carrier (INA) and they denied it under the aircraft exclusion.

Everyone laughed---this isn’t an aircraft it is a toy and/or a hobby. Aircraft have motors and pilots and carry people. While the HO policy had an aircraft exclusion, the term aircraft was not defined (it is not defined under the CGL either). The “norm” in insurance is when terms are not defined you go to Webster and ‘common usage.’ Webster said (in part) then (and now):

“something that is heavier than air and is capable of flight thru the air”.

Nowhere did it say that the item had to have a pilot or an engine. So, INA took it to court and they won! The court agreed that it fit the definition of an aircraft and was therefore not covered.

Most everyone agreed that this went too far so an exception was put in the policy for ‘model or hobby aircraft.’ While the HO policy still does not put aircraft in quotes, here is the current b-1 exception relating to “Aircraft Liability”—

b. For the purpose of this definition:

(1) Aircraft [*still not in quotes*] means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo.

So, does your ISO HO policy give you coverage for drone liability? Yes---for BI and PD. Over the years there have been many model aircraft incidents and I do not know of any major coverage issues. Until it is changed you have BI/PD liability coverage for your drone.

Question #2: Most drones have cameras. This is a big part of the fun. So, what if you (or your 15 year old son) is using the camera to take photos everywhere and of everyone. The drone will probably be on other’s property on a pretty regular basis. It is hard to imagine that various types of personal injury lawsuits will not be happening. Invasion of privacy seems the most likely. So—HO wise—

- Do you have personal injury protection? Standard HO policy is BI/PD although it seems like just about everyone has an HO endorsement that includes ‘personal injury’ protection. So, you need coverage for this.
- Standard PI coverage does include ‘invasion of private occupancy’ of a room, dwelling or premises. This definition is narrower than a CGL and fits what an HO policy covers but the word ‘premises’ is broad and I say the coverage is there.

However---(there is always a however)---standard (again many of your carriers may be different) has an exclusion for ‘criminal acts’. And (this is the biggie) NO insurance policy gives you coverage for an intentional act that is really intentional! That just goes against basic insurance principles. So, if your son (again, 15 year old boys do some strange things) deliberately ‘spies’ on someone, isn’t that an intentional act? Let’s say that you (the parent) are held vicariously liable for the acts of your son. While it might have been an intentional act by him, it was not by you. Many exclusions now include this kind of language. This exclusion may also apply to any insured held vicariously liable for the acts of a minor. However, no such language is found under Personal Injury and the principle of “separation of insureds” is HUGE under any liability policy.

So, it seems like the BI/PD is no problem with a drone. Personal Injury might present some issues, but coverage is probably there---at least for now. It probably would not hurt to talk to your carriers.

Note: This article was edited from Dave’s [blog](#).

ACSR Newsletter



UPDATES AND UPCOMING EVENTS

AIAM & AISM Designation Programs Start in March

Associate in Insurance Account Management Program Starts on March 19

Associate in Insurance Account Management (AIAM) is a 6-day course focusing on customer relationship management, workflow management, as well as how to apply the information on a day-to-day basis. Students' own actual experiences are discussed among the group, thus learning from each other's successes and failures. You must attend all six class dates to receive 10 OGI, 5 Ethics and 2 L&R VA C.E. credits.

Class dates: 3/19, 4/23, 5/14, 9/24, 10/22, 11/19

All classes are from 9:00 a.m. to 4:00 p.m. The cost to attend is \$650/\$845.

Annette Ardler, CPIW, DAE, AIAM, IIAV, and Charlyne Meinhard, Next Level Consulting, are the instructors for this class.

[Click here for more information or to register.](#)

Associate in Insurance Supervisory Management Program Starts on March 5

Associate in Insurance Supervisory Management (AISM) is a 6-day course focusing on the transition to supervisor, improving communications, motivation, teamwork, leadership, coaching, understanding others, performance appraisals and fair employment laws and regulations. As you learn, you will be able to put your knowledge to work immediately! You must attend all six class dates to receive 21 OGI and 3 L&R VA C.E. credits.

Class dates: 3/5, 4/16, 5/7, 9/17, 10/15, 11/5

All classes are from 9:00 a.m. to 4:00 p.m. The cost to attend is \$750/\$975.

Charlyne Meinhard, Next Level Consulting, is the instructor for this program.

[Click here for more information or to register.](#)

If you have questions please contact Kristina Preisner, kpreisner@iiv.com or 804-747-9300.

IIABA Holding Webinar on NARAB II

When: Monday, February 9

Time: 3:00 pm

Location: On your computer

Cost: Free to attend

Big "I" government affairs staff will be conducting a webinar on NARAB II on Monday, February 9 at 3:00 p.m. EST. There is no cost to participate in the webinar; it will be capped at 1,000 participants, and it will be limited to Big "I" members only. This to be the first of what we envision will be a series of webinars on NARAB II as it is implemented over the coming months.

[Register Here!](#)

Have You Registered for Bowling Night?

Have you registered for IIAV's Bowling Night on February 26 from 5:30-7:30 pm at Uptown Alley in Midlothian, VA? This event is hosted by the Young Agents' Committee.

The following will be included with your registration:

- 2 hours of bowling
- Shoe rental
- Pizza, salad, and dessert
- 2 adult beverages
- Billiards

\$10 game card

You must be 21+ to attend. Friends and family are welcome.

Thank you to our sponsors of this event:

Gold: Progressive

Silver: Loudoun Mutual

[Register here!](#)

Please contact Kristina Preisner, kpreisner@iiv.com, if you are interested in becoming a sponsor.

Education....Continuing Your Road to Success

Upcoming Classes

Chesapeake 1 - Homewood Suites-1569 Crossways Blvd. (23320)
[Mar. 24 \(9:00-4:00\): ACSR Mod 1: Homeowners](#)-Course # 208285 (6 VA P&C) \$105/\$135
[April 16 \(9:00-4:00\): ACSR Mod 6-Commercial Prop](#)-Course # 208290 (6 P&C) \$105/\$135

Chesapeake 2 - Chubb Insurance - 600 Independence Pkwy. (23320)
[May 4-7 \(8:30-4:30\): Property & Casualty Pre-Licensing](#) (NA) \$300

Manassas 1 - Hampton Inn - 7295 Williamson Blvd. (20109)
[Mar. 26 \(9:00-4:00\): ACSR Mod 1: Homeowners](#)-Course # 208285 (6 VA P&C) \$105/\$135
[April 21 \(9:00-4:00\): ACSR Mod 6-Commercial Prop](#)-Course # 208290 (6 P&C) \$105/\$135

Manassas 2-NOVA Com. College: Innovation Park-9485 Innovation Dr. (20110)
[Feb. 2-3 \(9:00-6:00\): Life & Annuities Pre-Licensing](#) (NA) \$175
[Feb. 4 \(9:00-6:00\): Health Pre-Licensing](#) (NA) \$125
[Mar. 23-25 \(9:00-6:00\): Property & Casualty Pre-Licensing](#) (NA) \$300

Richmond - IIAV – 8600 Mayland Dr. (23294)
[Feb. 12 \(8:30-5:00\): AAI 81 A Principles of Ins.](#)-Course # 208295 (8 VA OGI) \$165/\$215
[Feb. 17-18 \(8:30-5:30\): Life Pre-Licensing](#) (NA) \$175
[Feb. 19 \(8:30-5:30\): Health Pre-Licensing](#) (NA) \$125
[Feb. 23-26 \(8:30-4:30\): Property & Casualty Pre-Licensing](#) (NA) \$300
[Mar. 5 \(9:00-4:00\): Associate in Ins. Supervisory Mgmt.](#)-Course # 211751 (21 OGI, 3 L&R) \$750/\$975
[Mar. 11 \(8:30-5:00\): CRIS Commercial Liability](#)-Course # 208214 (8 VA P&C) \$150/\$195
[Mar. 12 \(8:30-5:00\): AAI 81 B Personal Insurance](#)-Course # 208297 (6 P&C, 2 L&H)
[Mar. 19 \(9:00-4:00\): Associate in Ins. Account Mgmt.](#)-Course # 210118 (10 OGI, 5 Ethics, 2 L&R) \$750/\$975
[Mar. 24 \(9:00-4:00\): ACSR Mod 1: Homeowners](#)-Course # 208285 (6 P&C) \$105/\$135
[Mar. 26 \(9:00-4:00\): E&O: Challenge of Change](#)-Course # 208589 (6 OGI) \$105/\$135 **
[April 21 \(9:00-4:00\): ACSR Mod 6-Commercial Prop](#)-Course # 208290 (6 P&C) \$105/\$135
[April 22 \(8:30-4:30\): CRIS Reaccreditation-Design Build Risk](#)-Course # (7 P&C) \$135/\$170
[April 23 \(8:30-5:00\): AAI 81 C-Commercial Property Insurance](#)-Course # 208298 (8 P&C) \$165/\$215

Roanoke – Roanoke Higher Education Center - 108 N. Jefferson St. (24016)
[Mar. 26 \(9:00-4:00\): ACSR Mod 1 Homeowners](#)-Course # 208285 (6 P&C) \$105/\$135
[April 22 \(9:00-4:00\): ACSR Mod 6-Commercial Prop](#)-Course # 208290 (6 P&C) \$105/\$135

Webinars (Computer and phone required, no exam)
[Feb. 9 \(3:00-5:00\): NARAB II: Practical Guide for Big "I" Members](#) (NA) Free
[Feb. 10-11 \(9:00-12:00\): ACSR Mod 1 Homeowners](#)-Course # 208285 (6 P&C) \$105/\$135
[Feb. 11 \(1:00-4:00\): Legal & Ethical Obligations of Ins. Professionals](#) \$79
[Feb. 18-19 \(9:00-12:00\): E&O: Challenge of Change](#)-Course # 208589 (6 OGI) \$105/\$135 **
[Feb. 20 \(9:30-10:30\): Coinsurance: Enough Said](#)-Course # 211628 (1 P&C) \$25/\$35
[Feb. 23 \(9:30-10:30\): Condo Issues, Gaps, & Coverages](#)-Course # 208549 (1 P&C) \$25/\$35
[Feb. 24 \(9:00-12:00\): Preparing a Comm. Submission: Auto & Prop.](#)-Course # 212081 (3 P&C) \$55/\$70
[Mar. 6 \(9:30-10:30\) Dealing with Fluctuations in Commercial Property](#)-Course # 211629
[Mar. 11-12 \(9:00-12:00\): ACSR Mod 6 :Com. Prop.](#)-Course # 208290 (6 P&C) \$105/\$135
[Mar. 18-19 \(9:00-12:00\) E&O: Challenge of Change](#) -Course # 208589 (6 OGI) \$105/\$135 **
[Mar. 20 \(9:30-10:30\): Homeowners: Liquor & Divorce](#)-Course # 208552 (1 P&C) \$25/\$35
[Mar. 25 \(9:30-11:30\): Privacy -Cyber Liability](#) -Course # 205319 (2 L&R) \$40/\$55
[Mar. 25 \(1:00-3:00\): Competing with Direct Sales & Captive Agency](#) \$79
[April 2 \(9:00-12:00\): Flood Basic - FEMA Approved](#)-Course # 208545 (3 L&R) \$55/\$70
[April 9 \(9:30-11:30\): Certificates of Insurance](#)-Course # 208908 (2 P&C) \$40/\$55
[April 14 \(9:30-11:30\): 2015 Laws & Regs](#)-Course # (2 L&R) \$40/\$55
[April 15-16 \(9:00-12:00\): ACSR Mod 2 – Personal Auto](#)-Course # 208286 (6 P&C) \$105/\$135
[April 17 \(9:30-10:30\): Mysterious World of Surety Bonding](#)-Course # 211631 (1 P&C) \$25/\$35
[April 21-22 \(9:00-12:00\): E&O: Challenge of Change](#)-Course # 208589 (6 OGI) \$105/\$135 **
[April 24 \(9:30-10:30\): Ethics: Not What You Think](#)-Course # 208550 (1 Ethics) \$25/\$35

[Click here for the full list of classes.](#)

** This class may qualify your agency for a loss control credit through IIAV's Westport and Fireman's Fund E&O programs.

ABEN Webcasts

**[Feb. 18 \(11:00-12:00\):
IRA Fundamentals & Small
Business Retirement Plans](#)**

Course # 210953
(1 VA L&H) \$24/\$34

**[Feb. 18 \(1:00-2:00\)
Annuity Basics & Where They Fit](#)**

Course # 210954
(1 VA L&H) \$24/\$34

**[Mar. 11 \(11:00-12:00\):
IRA Fundamentals & Small
Business Retirement Plans](#)**

Course # 210953
(1 VA L&H) \$24/\$34

**[Mar. 11 \(1:00-2:00\)
Annuity Basics & Where They Fit](#)**

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(1 VA L&H) \$24/\$34

**[Apr. 14 \(11:00-12:00\):
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Annuity Basics & Where They Fit](#)**

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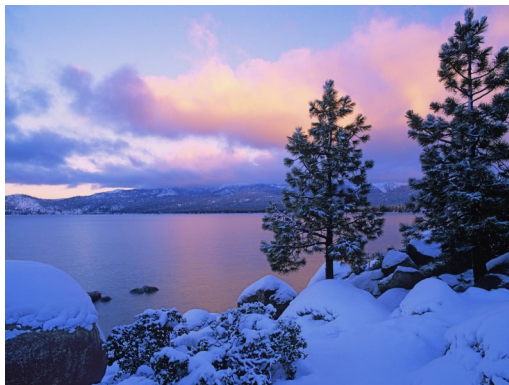
Designation Programs

Here are the designation programs that IIAV will be offering in 2015 to help you meet your educational and career goals.

- **Accredited Advisor in Insurance (AAI)**
- **Accredited Customer Service Representative (ACSR)**
- **Agribusiness & Farm Insurance Specialist (AFIS)**
- **Associate in Insurance Account Management (AIAM)**
- **Associate in Insurance Supervisory Management (AISM)**
- **Construction Risk and Insurance Specialist (CRIS)**
- **Management Liability Insurance Specialist (MLIS)**

[Click here to find out dates and pricing for these designation](#)

IIAV
8600 Mayland Dr.
Richmond, Virginia 23294
Phone: 804-747-9300
Fax: 804-747-6557
Website: 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. If you are hungry and your stomach makes a noise it is wambling.
2. The unicorn is the national animal of Scotland.
3. Moonbows are nighttime rainbows.
4. Irregardless is labeled in the dictionary as a nonstandard word.
5. E.g. means "for example".

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

Recipe of the Month



Grilled Pepper Poppers
Super Bowl Sunday appetizer.

[Click here to view!](#)

Quote of the Month

"Year's end is neither an end nor a beginning but a going on, with all the wisdom that experience can instill in us."

~ Hal Borland, American author & journalist