



The Eagle Eye

SERVICE EXCELLENCE...

Your **TIME** is just as valuable as the assets you insure.

One thing is for certain, the insurance protection afforded under ILM's AAIS COP property program, ISO Umbrella Program and other miscellaneous Casualty insurance is a vital business issue that everyone must have great confidence in so you can focus on your business' future while ILM protects you from unforeseen events. Effectively managing the time dedicated to the insurance coverage decision can be burdensome and ILM is making some proactive changes to better support and appreciate the cost of your time.

"Time is money." That small phrase couldn't ring truer than with any company providing a service to its customers and ILM is taking that to heart. ILM has initiated an effort to streamline the new account review along with the need to amend existing accounts as efficiently as possible to meet your needs. While immediate action on all items may not be realistic or practical, the changes being made will enable a much better "service experience" for everyone interacting with ILM.

What can be expected?

Request for changes on existing policies	10 days
Initial underwriting review on new accounts	1 day
Policy issuance	7-10 days from request to issue

We take customer service very seriously at ILM and strive to make each interaction better than the last so, needless to say,

the focus on providing "Service Excellence" is embedded in every process that exists under our Risk Services umbrella of items. Two things that have been implemented over the past six months to support quicker access to ILM include email addresses for policy changes and new account submissions.

Policy Changes that are sent to endorse@ilmgroup.com will be automatically delivered to our Policy Service professionals for appropriate handling.

New Accounts that are sent to custserv@ilmgroup.com are automatically logged and inserted into the initial underwriting review process.

We are continually evaluating the service we deliver and integrate the same focus within our Loss Control Services too. ILM's staff of Loss Control Representatives have been trained on the most recent product changes, safety concerns and are available to customize safety programs to meet each business's unique needs.

If we miss the mark with the service that is delivered, we need to know about it. Please send your feedback to custserv@ilmgroup.com.

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AT YOUR SERVICE WHEN IT MATTERS MOST

by: Ray Campisi, V.P. of Claims

It is an ILM tradition to work closely with its Policyholders to assist in the avoidance of accidents as much as possible. However, regardless of these combined efforts, losses can still occur. When a Policyholder sustains a loss, it is ILM's mission to deliver the promise of prompt service and financial protection as afforded by the policy of insurance. ILM strives to surpass the industry in every step of the claims process. We provide immediate access to 24 hour claim reporting, on-line claim reporting, on-site inspections, prompt coverage analysis, and a hands-on approach in assisting ILM Policyholders in locating repair facilities, financial experts, demolition resources, and other resources necessary to resume normal business activities as soon as possible.

Recently, an ILM Policyholder, Norstam Veneers Inc., located in Mauckport, IN, sustained a substantial fire loss causing extensive damage to a significant portion of their veneer production operation.

ILM received notice of the loss in the late evening on Saturday, February 2, 2008. Regardless of the hour, ILM conducted an immediate review of coverage and provided Norstam personnel with initial instructions. Within 36 hours of the loss, when the scene was sufficiently cooled, an on-site inspection was conducted by ILM representatives, Norstam's Agent, Tony Hall, of the Old National Insurance Agency, and a Cause and Origin Expert. Damages were assessed at that time and the immediate needs of our Policyholder were addressed. ILM also provided Norstam with substantial advance funds on the spot, in order to minimize spending its own corporate funds, in anticipation of immediate expenses Norstam would incur in an effort to resume production. Even though the adjustment process continues on this extensive loss, ILM has since advanced



approximately \$700,000 to our valued customer. ILM appreciates the need to resume normal business practices at the earliest opportunity. ILM believes that the

advancement of funds and other assistance early in the adjustment process provides its Policyholder with resources at the time it is most needed rather than waiting for the final adjustment of a claim.

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Because of the outstanding efforts on the part of Norstam personnel, Tony Hall, and ILM, veneer production resumed quickly and many Norstam employees were back at work shortly after the loss. These efforts are not only appreciated by ILM, but many Norstam Veneer customers who rely on the service and quality of their fine products.

ILM is proud to be of service to Norstam Veneers and stands ready to provide you with the exceptional service you expect from your insurance company.

"I will tell you that this has been an excellent example of carrier compassion, and ILM delivering much more than a simple claim adjustment. Your team has offered solid direction for Norstam, and things are going as good as can be expected, for such a catastrophic claim."

Tony Hall, Agent with Old National Insurance Agency



THE SAFETY CORNER

By: George Hawkins, Sr. Loss Control Representative

Effective Feb. 3, OSHA instituted a new PPE Regulation rule

The new rule went into effect on Feb. 3, 2008 and goes into detail on the requirements of employer payment for personal protective equipment (PPE). Employers must implement its provisions by May 15, 2008. The new rule does not go into a specific method on how the employers are to pay for PPE. Many methods will be acceptable (allowances, reimbursement, on hand stock, etc.).

The rule does not require employers to provide PPE where none has been required before. Instead, the rule merely stipulates that the employer must pay for required PPE. The final provision in the rule provides an enforcement deadline of six months from the date of publication to allow employers time to change their existing PPE payment policies to accommodate the final rule.

Examples of items employers will not be responsible to pay for:

- Non-specialty safety-toe protective footwear (e.g., steel-toe shoes/ boots)
- Non-specialty prescription safety eyewear
- Sunglasses/sunscreen
- Sturdy work shoes
- Lineman's boots
- Ordinary cold weather gear (coats, parkas, cold weather gloves, winter boots)
- Logging boots required under Sec. 1910.266(d)(1)(v)
- Ordinary rain gear
- Back belts
- Long sleeve shirts
- Long pants
- Dust mask/respirators used under the voluntary use provisions in Sec.1910.134.

Examples of items employers will be responsible to pay for:

- Foot protection
- Special boots for longshoremen working logs
- Rubber boots with steel toes
- Shoe covers--toe caps and metatarsal guards
- Non-prescription eye protection
- Prescription eyewear inserts/lenses for full face respirators
- Prescription eyewear inserts/lenses for welding and diving helmets
- Goggles
- Face shields
- Laser safety goggles
- Fire fighting PPE (helmet, gloves, boots, proximity suits, full gear)
- Hard hats
- Hearing protection
- Welding PPE
- Items used in medical/laboratory settings to protect from exposure to infectious agents (aprons, lab coats, goggles, disposable gloves, shoe covers, etc).
- Non-specialty gloves: Payment is required if they are PPE, i.e. for protection from dermatitis or severe cuts/abrasions. Payment is not required if they are only for keeping clean or for cold weather (with no safety or health consideration).
- Rubber sleeves
- Aluminized gloves
- Chemical resistant gloves/aprons/clothing
- Barrier creams (unless used solely for weather-related protection)
- Rubber insulating gloves
- Mesh cut proof gloves, mesh, or leather aprons

For the full version of the final rule and an explanation of changes, please go to the OSHA web site: www.osha.gov

FOR FURTHER INFORMATION CONTACT:

Mr. Kevin Ropp, OSHA Office of Communications, Room N-3647, U.S. Department of Labor, 200 Constitution Avenue, NW., Washington, DC 20210. Telephone: (202) 693-1999.

The loss control department of The ILM Group continues to feel that the safety of our policy holders is a vital part of our daily operations. We continue to be committed to being a leader in the commercial property and casualty industry by developing and maintaining long term relationships with the highest levels of integrity, personal service and technical expertise. We at ILM will strive to be readily available to your concerns and questions. By working together we can effectively problem solve and offer solutions that will meet your needs and ours.

Look forward to future issues, keeping you in the know and on top of your game.

THE IMPORTANCE OF GOOD COMMUNICATION

The application process for insurance is often viewed as a tedious and cumbersome practice, by both agents and insureds. From the perspective of the insured however, the application procedure is perhaps the most important part of the insuring process. It provides an avenue for an insured to present their business operations to an insurer and communicate all of the reasons they would be an excellent insurance risk.

Traditionally, insurers have sought to gather as much statistical information about prospective insureds as possible. The primary method for gathering underwriting information is the preparation of applications by an insured and their agent. The purpose of this information gathering process is to provide underwriters information that will assist them in the determination of an appropriate insurance premium for a given exposure. This is the underwriting process and it serves as the backbone of the insurance industry.

Since the applications submitted serve as the foundation of the contract of insurance being sought from the insurer, it is critical that the applications be completed as thoroughly and accurately as possible. Accuracy and thoroughness are important for several reasons:

- Insurers desire to provide appropriate protection to insureds. Without accurate underwriting information, coverages offered may be inadequate or incorrect.
- Insureds that intentionally or unintentionally misrepresent their exposures may be subject to coverage and/or deductible penalties at the time of a loss.
- In some situations, coverage can even be voided if all pertinent facts about an exposure are not communicated to an insurer.
- An agent or broker may open themselves up to a professional liability exposure in the event there's a loss that isn't covered under a contract of insurance purchased by an insured.

The application process is your opportunity to discuss your operations with an insurer. By using the application process to your advantage, you can educate the insurer about the extent of your operations, scope of exposures and the reasons that your business should be provided the most comprehensive coverage available at the fairest premium.

The clarity of an underwriter's understanding of a risk will only serve to enhance your ability to negotiate the purchase of the most advantageous insurance package available.

FEDERAL TERRORISM PROGRAM RENEWED

By: Zyvonne Adams, Regulatory Compliance Manager

The 2002 Terrorism Risk Insurance Act has now been extended through December 31, 2014. This program is now called Terrorism Re-Authorization Insurance Program Act of 2007, or "TRIPA".

The first change to the federal program is the revision of the definition of "certified acts of terrorism". Under TRIPA, certification of an incident of terrorism no longer considers whether an act is committed by or on behalf of a foreign interest or by a U.S. citizen. Hence, domestic acts of terrorism committed against the U.S may now also be classified as a "certified act of terrorism" and is eligible for coverage under TRIPA. The second change in the program, affecting insureds, is the requirement to advise insureds there is a \$100 billion cap for federal reimbursement of terrorism coverage during any 12 month year (January through December). Incidents of terrorism still must be certified by the Secretary of State and the U.S. Attorney General.

As a result of these changes, in the coming weeks, updated terrorism forms for coverage, exclusion and disclosure notices, as required by TRIPA will be implemented by Indiana Lumbermens. However, note that at this time there will be no change to the current rates for this coverage. Insureds will still have the option to reject terrorism coverage for most lines of business. The two exceptions: commercial auto, which is not eligible for terrorism coverage under this program and workers' compensation which is required to include terrorism coverage and cannot be excluded.

As always, we encourage insureds to continue to carefully read their policy, including all endorsements. If they have any questions or concerns regarding coverage, they should contact their agent.

