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MMAIP Experience

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Mid-Michigan Association of Insurance Professionals
Serving Bay, Midland, Saginaw, and Genesee Counties
Website: www.MMAIP.org Email: MMAIPinsurance@yahoo.com

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See the Calendar of Events on page 5 of this newsletter for more exciting activities!

Message from the President

By Sandy Pope, AAA Michigan

I can't believe that it is already summer! I want to thank all of our members for their support this past year. I truly appreciate each and every one of your contributions.

Thanks to all who agreed to serve as officers and chairs for the upcoming year. A heart felt thank you to the outgoing officers and chairs that served this term. You all did a phenomenal job.

We have a busy year planned for 2007 - 2008. We will offer Communicate with Confidence public speaking classes in September, October, and November. The program is open to the community, and we invite insurance professionals from Saginaw, Midland, Bay, and Genesee counties to enroll. We also plan to offer the Underwriting for Non-Underwriters course in February 2008. See the Calendar of Events on page 4 of this newsletter for more exciting activities!

Soon, you'll be able to see our new MMAIP website! The URL is www.mmaip.org. This is a great way to stay in touch with MMAIP activities and members. It's also a great way to get membership information, corporate partnership information, and copies of our newsletters.

We bid a special good-bye to those who are leaving our association at the conclusion of this membership year. You have made a lasting contribution to our organization and will be missed. We wish you the best. Our thoughts and prayers will be with you.



This issue of the MMAIP
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Mid-Michigan Association of Insurance Professionals
is a local association, affiliated with the National Association of Insurance Women (Int'l)

Membership is open to men and women who are employed in the insurance industry or students pursuing an education in the field of insurance, risk management, or actuarial studies.

E-mail: MMAIPinsurance@yahoo.com

Hold Harmless Agreements - FAQ



“The liability implications of hold harmless agreements can be enormous.”

Q: What is a Hold Harmless Agreement?

A: A contract in which one party agrees to indemnify the other. It is usually executed in the form of an indemnity clause in a contract. An indemnity clause is a contractual provision in which one party agrees to answer for liability or harm that the other party might incur.

Q: Where do you typically see Hold Harmless Agreements?

A: Just about everywhere - construction contracts, real estate and equipment lease agreements, service & maintenance contracts, and purchase orders are some typical examples.

Q: Why are Hold Harmless Agreements used?

A: People routinely agree to hold harmless agreements for a variety of reasons. In some industries, such as construction it is the custom and practice to transfer liability to another party. Others agree to them because they want to do business with an organization that requires one - the party requiring it is in a superior bargaining position. Others may agree to them because they don't know the implications. Hold harmless provisions are frequently included in boilerplate contracts, and are often overlooked by unsuspecting parties.

Q: What is the implication or exposure of a Hold Harmless Agreement?

A: The person agreeing to the hold harmless provision agrees to indemnify the other party for any liability related to claims made against it by a 3rd party in a tort matter (i.e. negligence). The exposure can be significant and often includes a duty to defend.

Q: Who should be concerned with Hold Harmless Agreements?

A: Because the liability implications of hold harmless agreements can be enormous, they should be of concern to anybody charged with protecting an organization's assets. These may be CFO's, risk managers, insurance agents and brokers, risk management consultants, and attorneys.

Q: Are there different kinds of Hold Harmless Agreements?

A: The 2 most common types of agreements are Broad Form and Intermediate Form Hold Harmless Agreements. Broad Form agreements transfer all liability from one party to another. Intermediate Form agreements transfer liability if the Indemnitor has any contributing responsibility, and do not transfer liability only if the indemnitee's sole negligence causes injury or damage to a 3rd party. A subset of the Intermediate Form is Comparative Fault Indemnity. In this case, the indemnitor contributes only to the extent that they are at fault.

Membership in NAIW: An Employers Point of View

By: Bonnie Hayward, General Agency Inc.

I am a Commercial Lines Department Manager for an independent agent and have strong convictions about membership in NAIW. Yes, I am a member. When I first became a member I was employed with the same agency as a Customer Service Representative. I attribute a great deal of my professional success to things I learned through my association with NAIW.

My support for this association is derived from the many opportunities for professional development - available to any insurance professional, from owner or principal to entry level staff. Members develop at their own pace, with the encouragement and support of other insurance professionals who offer a new perspective and a broad range of knowledge & experience, to supplement development members receive in the workplace.

Networking, education, and communication skills are essential to the growth of any individual who intends to advance in their profession. It is often awkward to begin this process with people we know on a personal level or in the community. NAIW provides this to its members - professionals who will assist, teach, mentor and share the years of experience from their own journeys.

In addition to networking opportunities are the excellent educational classes that are offered by NAIW - the most impressive, to me being **Communicate with Confidence**. This class, as uncomfortable as it may be to those who don't treasure public speaking, delivers one of the most valuable tools any professional can possess - the ability to effectively communicate to groups in a professional environment. Communicate with Confidence differs from other public speaking classes in that class sizes are usually smaller, more time can be given to each individual, and the cost is substantially less. These classes are offered every year by NAIW associations and are open to members and non-members, with certificates upon completion.

My staff has voluntarily chosen to be involved with NAIW. We all see the many possibilities for professional development that can be gained from this organization and are taking advantage of our memberships. By visiting the national web page, www.naiw.org, you can access information on the benefits of NAIW membership. Employers will learn why they should support the memberships of their employees, and potential members will learn why they would want to support their own memberships.

Don't wait another year to find out what this group is about -contact this, or any local NAIW association and find out why YOU need what we have to offer! We look forward to seeing you soon!

Technology Corner

By: Cindy Prud'homme, Meadowbrook Insurance Group

What do you do when you're asked to forward contact information for somebody you have in your Outlook Contacts? There is a quick & easy way to forward contact information from Microsoft Outlook. You do this with vCards, and here's how:

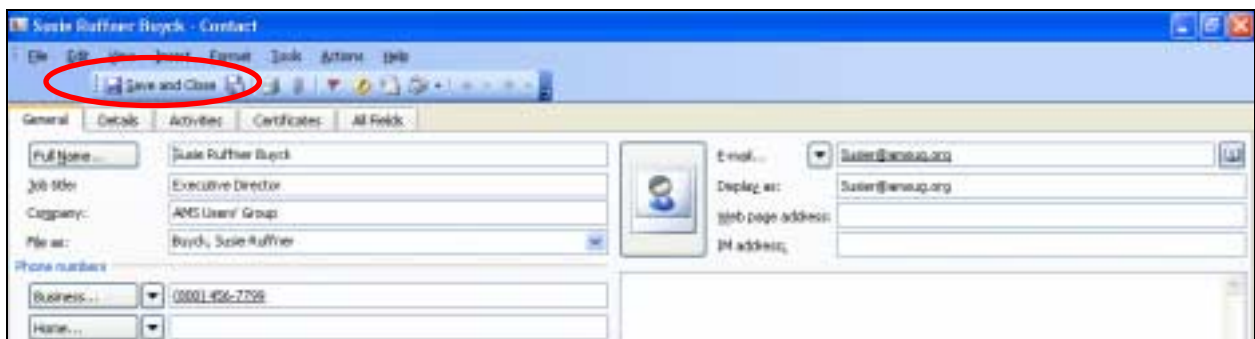
- Open Outlook
- Click on Contacts
- Open the Contact you want to forward
- Click on File
- Select Export to vCard File



- Save to your Desktop or to any convenient location
- Close the Contact
- Open your Email Inbox/Email Folder
- Create an email to the person who needs the information
- Attach the vCard you just created & send. VOILA! You're done!

How to use a vCard file you've received:

- From the email you received, double click the vCard attachment
- Click Save & Close icon



VOILA! You're done. You just saved the contact in YOUR Outlook Contacts!

Hold Harmless from page 2

Q: Are Hold Harmless Agreements Enforceable?

A: Many jurisdictions restrict or prohibit certain types of agreements. Or, they may restrict them only in certain types of contracts. Some states explicitly allow them. Courts and legislators must balance a person’s right to enter into private contracts with public policy considerations.

Q: How do businesses protect their hold harmless agreements to ensure compliance?

A: To prevent courts from voiding the entire hold harmless provision, some agreements begin with the phrase, “to the extent permitted by law”. This allows enforcement of at least that portion of the agreement that is not prohibited by statute or case law.

MMAIP Leaders

President	Sandy Pope AAA of Michigan
Vice President	Dorita Beal Meadowbrook Insurance
Secretary	Kelly Reed Frankenmuth Mutual
Treasurer & Education Chair	Jaime Millikin Dennis Miller Agency
Membership Chair	Tara Weber Meadowbrook Insurance

Calendar of Events

Date	Event	Location	Cost
8/11/07	MI Council Mtg	Lansing	\$25
9/6/07	Communicate with Confidence Class	Saginaw	\$50 or \$25
9/7/07-9/9/07	Region IV Networking Weekend	Geneva, OH	\$75+
9/20/07	Communicate with Confidence Class	Saginaw	Incl.
10/4/07	Slight Edge Presentation	Saginaw	\$10
10/18/07	Communicate with Confidence Class	Saginaw	Incl.
10/19/07-10/20/07	Michigan Council Annual Meeting	West Kalamazoo	\$75+
11/1/07	Communicate with Confidence Class	Saginaw	Incl.
11/15/07	Communicate with Confidence Class	Saginaw	Incl.
12/6/07	Program TBD	TBD	TBD
1/3/08	Holiday Party/Dinner	TBD	TBD
2/7/08	Underwriting for Non-Underwriters Class	Saginaw	TBD
2/9/08	MI Council Mtg	Lansing	\$25
3/6/08	Membership Drive Program TBD	TBD	TBD
3/27/08-3/30/08	Region IV Conference	Columbus, OH	TBD
4/3/08	Literacy Book Drive Program TBD	TBD	TBD
5/3/08	Charity Fashion Show	Bay City	\$25
5/10/08	MI Council Mtg	Lansing	\$25

The next regular meeting of the Mid-Michigan Association of Insurance Professionals will be held on Thursday, October 4th.

Where: Meadowbrook Insurance
5311 Hampton Place
Kochville Township, MI

Cost: \$10, bring your own dinner

Program: “Slight Edge”
Tish Lounsbury, Presenting

For Reservations Email:
MMAIPinsurance@yahoo.com

Industry Alert

New Insurance Products Emerging to Tackle Climate Change and Rising Weather Losses

Premium Hikes, Coverage Restrictions a growing Major Problem along Gulf Coast, Florida and New England

Dozens of new insurance activities, such as 'green' building credits and incentives for investing in renewable energy, are emerging to tackle the causes of climate change and rising weather-related losses in the U.S. and globally, according to a report issued by the Ceres investor coalition. But the report also states that more insurance companies need to be offering similar services to minimize losses and make the most of business opportunities related to climate change.

"Climate change poses unprecedented risks to the insurance industry, but it also creates vast opportunities for new products and services to help consumers and businesses reduce their losses, while also reducing the pollution causing global warming," said Mindy S. Lubber, president of Ceres. "We've seen encouraging progress from big-name insurers and brokers since last year's devastating hurricanes, but many more creative services will be needed as we confront what is perhaps the biggest threat in the industry's history."

The report comes on the heels of devastating back-to-back hurricane seasons in the U.S. that caused a record \$75 billion in insured losses during 2004 and 2005, including \$45 billion from Hurricane Katrina alone. While no individual weather event can be attributed to global warming, a growing body of scientific data show that rising temperatures are likely increasing the intensity of hurricanes, floods, drought, wildfires and other extreme weather events in the U.S. and globally.

The report, "From Risk to Opportunity: How Insurers Can Proactively and Profitably Manage Climate Change," highlights the insurance industry's unique, powerful role in helping the country manage emerging risks. Just as the industry asserted its leadership to minimize risks from building fires and earthquakes, it is well positioned today to advance forward-thinking solutions which minimize the impacts of climate change.

The report identifies 190 innovative products and services available or in the pipeline from insurance providers in 16 countries. Many provide win-win benefits, by reducing financial losses and greenhouse gas emissions. More than half of the activities come from U.S. companies, covering climate change

solutions including energy efficiency, green building design, carbon emissions trading and sustainable driving practices. Among the recent offerings that show promise for customers and insurers:

- Firemen's Fund Insurance is launching a first-of-its-kind 'green' coverage, including rate credits and other incentives, for commercial building owners who re-build damaged properties using green and LEED-certified (Leadership in Energy and Environmental Design) building practices. Firemen's Fund will begin seeking regulatory approvals this month so that the products can be offered this fall.
- Marsh, the world's largest insurance broker, and AIG, the world's largest insurer, have launched carbon emissions credit guarantees and other new renewable energy-related insurance products that are allowing more companies to participate in carbon offset projects and growing carbon emissions trading markets. The carbon trading market in the European Union alone is expected to hit \$30 billion by the end of 2006.
- Insurer-initiated hurricane loss prevention methods used at nearly 500 commercial locations incurred eight times less damage from Hurricane Katrina than properties that did not make the engineering improvements, avoiding \$500 million in property damage. Insurer FM Global says the \$500 million in savings came after customer investments of only \$2.5 million, and helped make the company profitable in a year when few insurers were.
- Tokio Marine & Nichido Life, has reforested more than 7,500 acres of mangroves in Indonesia, Thailand and several other countries to minimize losses from rising cyclone-related risks.

Dr. Evan Mills, the report's lead author and a scientist at the U.S. Department of Energy's Lawrence Berkeley National Laboratory, said the new insurance offerings are an impressive beginning.

"The insurance sector is poised to make a major contribution to long-term national and international efforts to curb the growth of greenhouse gas emissions, while helping to fortify society against the near term impacts of climate change," Mills said. "Last year's hurricanes were a real wake up call for the industry and many U.S. insurers are creating programs to help businesses minimize future losses. Many of these strategies represent new profit centers for insurers, rather than simply symbolic and charitable activities."

The report will get close consideration from the National Association of Insurance Commissioners (NAIC), which formed a task force on the climate change issue last December.

"This summer's devastating wildfires in the West are only the latest example of why insurance regulators are concerned about climate change and its far-reaching consequences for the insurance industry," said Washington Insurance Commissioner Mike Kreidler, who is co-chairing the NAIC climate change task force. "As climate change increases the likelihood of weather-related losses,

we must seek new ideas and solutions so insurers can minimize these impacts for themselves and consumers, while also addressing the root causes of global warming itself.

"This report is timely and important because it provides the most comprehensive assessment yet of insurance products available for proactively meeting climate change challenges head-on," added Nebraska Insurance Director Tim Wagner, who also co-chairs the NAIC task force. "Many of the activities identified have enormous potential to reduce losses and greenhouse gas emissions at the same time."

The report also outlines the growing insurance availability crisis that has hundreds of thousands of coastal homeowners feeling the combined sting of premium shocks and coverage restrictions after last year's hurricanes. In Louisiana and Florida alone, more than 600,000 homeowners' property policies have been cancelled or not renewed. In Massachusetts and New York, insurers have cancelled coverage for more than 80,000 coastal homeowners, even though it has been decades since the last major hurricane hit the region.

Among the impacts of the pullouts is a stronger reliance on governments as insurers of last resort. As more private insurers refuse to write new policies or renew existing ones, mandated state-run insurance 'pools' are being forced to take on more customers and more financial exposure.

Florida's state insurance pool has swelled to about 1.5 million policyholders and it recently needed a \$715 million bailout from the Florida legislature to cover its losses. Mississippi's Wind Pool, which insures coastal property owners, suffered a \$745 million loss from Hurricane Katrina, \$100 million of which was paid back with a federal block grant.

Businesses are also feeling impacts from coverage restrictions. With \$10 billion in insured losses - including the destruction of 116 oil platforms, and 56 more severely damaged by 2004-2005 hurricanes - oil producers in the Gulf of Mexico have seen insurance price increases of up to 500 percent.

About Ceres

Ceres <http://www.ceres.org> is a national coalition of investors, environmental groups and public interest organizations working to address challenges such as climate change. Ceres directs the Investor Network on Climate Risk (INCR), a network of 50-plus institutional investors who collectively manage more than \$3 trillion in assets.

This newsletter is provided, free of charge to members of the Mid-Michigan Association of Insurance Professionals (MMAIP), a not-for-profit educational association, and others employed in the insurance industry. If you are interested in joining or becoming a corporate partner of MMAIP, please email MMAIPInsurance@yahoo.com or visit our website, www.MMAIP.org. To be removed from our distribution list, simply send an email to MMAIPInsurance@yahoo.com with REMOVE in the subject line and your name/agency/email in the body of the email.

MMAIP, THE ASSOCIATION TO SEE TO BE A BETTER ME!!!

**Mid-Michigan Association of Insurance Professionals presents
"Communicate With Confidence"**

**Class meets 5 Thursdays: 9/6/07, 9/20/07, 10/18/07, 11/1/07, 11/15/07
6:00 p.m. - 8:00 p.m.**

**Meadowbrook Insurance of Saginaw
5311 Hampton Place
Kochville, MI 48604**

**Improve communication skills - enhance your career!
Conquer the #1 fear shared by people around the world!
Achieve personal and professional development!**

Class participants receive training regarding speech structure, vocal delivery, using gestures, round-table and panel discussions, and much more. Workbook included in price of registration.

What Others are Saying:

Tara Weber, a member of MMAIP says, "This course will help prepare me for new roles in the insurance industry. The ability to communicate is important in this field, as in most professions. This class will provide an opportunity to fine tune critical presentation skills, and I look forward to taking the class!"

Cindy Prud'homme, a past student says, "Taking Communicate with Confidence" was the best decision I could have made. What I learned I took back to work and put to immediate use - the class had an immediate and tangible impact, and the result was a new set of professional opportunities. I even gave a presentation to my company's Board of Directors this year!"

Name _____

Agency/Company _____

Address _____

Phone _____

Registration Fee: \$50 Non-Members \$25 for NAIW Members

DEADLINE FOR REGISTRATION IS AUGUST 15, 2007 (No full or partial refunds)

Mail Registration and check (payable to MMAIP) to:

Attn: Jaime Millikin • Dennis Miller Agency • P.O. Box 186 • Vassar, MI 48768

Email: mmaipinsurance@yahoo.com



*Mid-Michigan Association of Insurance
Professionals presents*

"SLIGHT EDGE"

Thursday, October 4, 2007 • 5:45 p.m.

*Meadowbrook Insurance of Saginaw
5311 Hampton Place
Kochville, MI 48604*



GET THE EDGE OVER YOUR COMPETITION!
Setting Goals & Aspirations...
Learning How to Achieve Them
Presenter: Tish Lounsbury

Learn The Secret That All Successful People Know - A Simple, Daily Routine
That Is Guaranteed To Bring Success To Every Aspect Of Your Life.

Career • Marriage • Health • Family • Finances

Do you have a "Some Day"? A dream, goal or aspiration you have
postponed?

Learn how you can make "Some Day", TODAY!!!

Name_____

Agency/Company_____

Address_____

Phone_____

Registration: \$10 Non-Members; Attendees may bring a brown bag dinner.

DEADLINE FOR REGISTRATION IS SEPTEMBER 30, 2007
(No refunds)

Mail Registration and check (payable to MMAIP) to:

Attn: Jaime Millikin

c/o Dennis Miller Agency • P.O. Box 186 • Vassar, MI 48768

Email: mmaipinsurance@yahoo.com