



# Transure

For The Road Ahead...

Issue 10

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Try our online quoting options on our website @ [www.Transure.com](http://www.Transure.com)



## INSIDE THIS ISSUE:

<i>Cargo Liability</i>	1
<i>Terrorism...Insurance</i>	2
<i>Independent Agents...</i>	3
<i>Transure Advantage</i>	3
<i>Transure</i>	4
<i>Happy Holidays</i>	4

## CARGO LIABILITY COVERAGE: BEWARE OF "GOOD TIDINGS"

We recognize in these tough economic times that our insureds and prospective clients are looking for "any" good news that could possibly reduce their insurance costs.

We all know that your other operating costs are fairly fixed and do not offer much fluctuation; except perhaps, increasing in cost.

We caution everyone to please BEWARE. Sometimes those offering good tidings may in fact be offering cargo products that severely limit your coverage. Most of you have either experienced or know of a friend in the industry that has had a horror story of a cargo loss that was not covered due to ambiguous terminology or misunderstanding as to what should have

been assumed a covered exposure.

The key is in the detail. We at Transure have developed, over a twenty year relationship with Underwriters at Lloyds a policy form that

ties limiting coverage. In fact, we manuscript each policy to meet the individual coverage exposures of our insureds.

Our experienced sales staff is ready to listen to you and discuss with



Don we now our gay apparel...Fa la la la la, la la la la.

is second to NONE. We pride ourselves on offering a "For Hire Form" that provides the fewest exclusions and warran-

you at length, your individual needs and develop a suitable coverage solution.

## TERRORISM RISK INSURANCE ACT

Two weeks ago the Terrorism Risk Insurance Act was signed into law by President Bush. Although the Bush administration had made the terrorism

insurance issue a priority, the insurance industry was not ready for the rapid passage of the act. Normally the insurance industry has scores of

lawyers debating the impact of such an act for years before they make any decision on how to handle an issue like this. Since they have not had

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Cont. pg 2



## TERRORISM RISK INSURANCE ACT CONTINUED

time to do their collective research, each company is handling it on their own and there will be considerable differences in each offering.

The insurance compa-

reject the coverage. The offering must include a premium to keep the coverage in force. Until the form is sent to you and you reject coverage the coverage applies for no additional pre-

mium. You will have to respond to their offer within 30 days one way or the other so not responding does not allow you to keep the coverage and not pay for its inclusion.

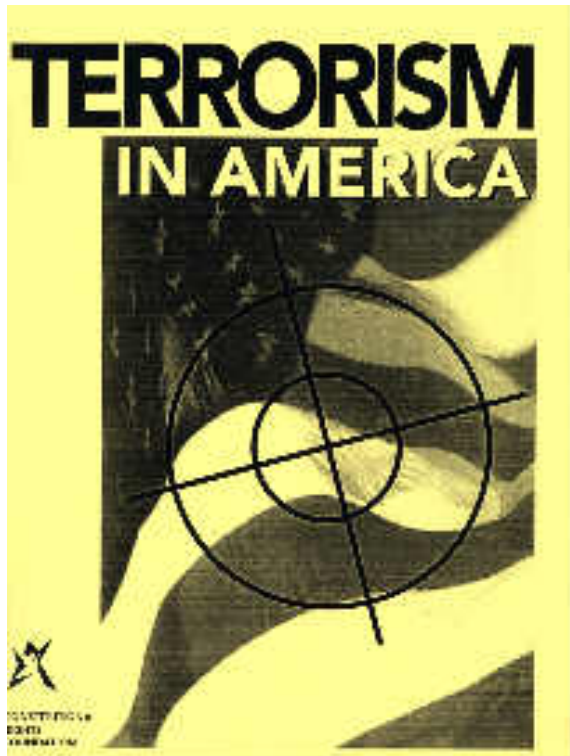
The most important issue that we want to bring to your attention is the

fact that terrorism by other than a foreign agent is not covered. The act specifically states that an "act of terrorism" is defined as a violent act that **results in damage totaling at least \$5,000,000 in damage**. It goes on to say that the cause must have been committed by **an individual or individuals acting on behalf of any foreign person or foreign interest . This definition excludes domestic acts of terrorism** or losses caused by war .

Other points of interest that may influence you are:

- **The intent of the act was to override only the exclusions created in response to the events of September 11.**
- **The government will reimburse the insurance companies 90% of covered losses up to \$100 billion dollars in a given policy year. Any amount in excess of the \$100 billion will be prorated with the insurer. A one percent deductible applies to the insurer based on their premiums charged for this coverage.**
- **Every insurance company licensed to do business in the U.S has to offer the coverage.**
- **Existing terrorism policies will be reviewed and premiums may be adjusted down to reflect the new act's impact.**
- **There are penalties for non compliance of an insurer. Policy holders could face a surcharge in premiums if losses exceed a specific threshold.**

We hope this article may help you decide what to do when you receive the offering from your carrier. We have highlighted some but not all of the act's points. We sent our clients a letter recently that will give them more specific details about the act. Please refer to that letter for more detailed information or feel free to call us with any questions.



nies must offer terrorism coverage to you, the act makes that clear. You will have a period of time to accept or reject the coverage offer when it is made. The price will vary based on how each insurance company sees the exposure. You will be asked to pay the premium or reject the coverage.

The act rescinds all former terrorism exclusions on existing policies. This is a nightmare to the insurance companies because they will now need to prepare a form for you to accept or

*"insurance companies must offer terrorism coverage to you"*

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## INDEPENDENT AGENTS GAINING MARKET SHARE



An article in the December issue of National Underwriter speaks to the fact that independent agents are gaining market share in personal and commercial lines. This is according to a survey commissioned by the Independent Insurance Agents and Brokers of America.



Independent agents wrote 82.22 percent of the commercial auto business produced in 2000. In 2001 the independent agency system wrote 74.96 percent of the total commercial lines market. The share overall is actually higher but it is artificially reduced due to

A. M. Best categorizing the production by independent agents in California's State Compensation Fund as captive-agent company production.

In a comment made by Robert Rusbult president of the Agents association, he said, "Consumers are increasingly recogniz-

ing that independent agents are the best when it comes to taking time and energy to help them understand their policies and the options available to them". A complete copy of the Independent Agents market share report is available at [www.independentagent.com](http://www.independentagent.com).

*"Independent agents wrote 82.22 percent of the commercial auto business produced in 2000"*

## THE TRANSURE ADVANTAGE

Unlike most retail agencies, Transure Services, Inc. enjoys a very unique relationship with the underwriters at Lloyds.

For nearly 20 years, Transure has managed our own Lloyds contracts for physical damage and cargo liability coverage; a responsibility rarely afforded a "retailer."

⇒ We are able to offer our insureds a direct contact to this historically unique facil-

⇒ The most responsive claims handling available in this marketplace including the ability to create the policies and issue checks from within our office.

Through these facilities, we are able to provide

you with products and services tailor-made to your insuring requisites at terms and pricing that are fair and competitive!

# LLOYD'S

ity.  
⇒ Our programs afford our insureds the broadest of coverage wording

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## ***Transure Services, Inc.*** **Your Truck Insurance Specialists**

For over four decades, Transure has been fulfilling the insurance needs of the transportation trade. By specializing exclusively in the associated risks of that business, Transure is clearly the best qualified broker to recognize and respond to the exceptional demands created by a unique industry.

Specialization is a key to Transure's success. Our clients are provided with a host of ancillary services not available through other brokers that are not focused in the transportation insurance field. This single industry concentration enables Transure to remain consistently informed about cycles and changes in both the insurance and transportation industries. A single focus helps us match clients with the most cost effective program offered, custom tailored by a Transure team, you (the client), and the insurance carrier.

Transure Services is composed of a staff of proven professionals with over 100 years of collective experience in transportation insurance. Both sales and administrative personnel have had experience and success in direct and retail sales of this kind of insurance placement. This industry knowledge and dedication, coupled with our outstanding insurance company relationships, adds value to Transure's strength in marketing.

We pride ourselves on individual attention to service which contributes to our success and to client satisfaction. Statistical loss analysis is designed specially for various client needs. Our staff identifies the risks that adversely impact your financial statement. Once identified, we make recommendations to eliminate, reduce or transfer the risks via insurance or alternative risk financing methods.

One of our most important services is providing prompt claims services to clients when a claim occurs. Our claims department handles each loss with efficiency and speed whether we do the adjustment or it is sent to a company for handling. We follow through with the companies to ensure the satisfaction of our most valued asset, our client.

**We're on the web!**  
**Transure.com**

*For The Road Ahead...*

## ***HAPPY HOLIDAYS FROM EVERYONE HERE AT TRANSURE***



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***Happy Holidays***