



A REGIONAL COMPANY MEETING THE NICHE NEEDS OF OUR AGENTS

The Red Shield FOCUS

WINTER 2012 NEWSLETTER



Winter is Here!

Red Shield is a market for some of the season's contracting classes such as:

- Interior Remodel / Redecorating
- Lawn Replanting
- Tree Trimming
- Snow and Ice Removal

Also, Spring is just around the corner.

We can write many of the spring cleaning and maintenance classes, including:

- Carpet Cleaning
- Home Inspections
- Housecleaning
- Landscape Gardeners
- Pest Control Services
- Septic Tank Cleaning

(Subject to \$500 Minimum Premium)

Our Goal: Provide Exceptional Customer Service

At Red Shield Insurance Company, it is our policy to deliver requested loss runs within 24 hours. We usually provide our loss runs the same day. Loss runs may also be obtained in the new Producer Lounge.

Have you been to the Producer Lounge lately?

All Red Shield agents can make billing inquiries for direct bill clients and obtain loss runs instantly through the Producer Lounge Portal.

Red Shield agents can submit and obtain bindable quotes online for 15 classes of business.

Agents are now quoting Red Shield to eligible clients while the prospects are in their office and sending bind requests to our underwriters in Portland. Policy numbers are issued within 24 hours, and down payments can be collected before the prospect leaves the office!

For more information about the Producers' Lounge, and all its capabilities, log onto www.redshield.com and click on the Producer Lounge icon (leather couch photo).

Are you using the RSI?

R.S.I. (Rate Sample Indicator) provides a quick indication of premium costs for many of our 15 Specialty Contractor classes (highlighted in red below). It's simple, easy and efficient!

Look for the calculator icon in the Producer Lounge on our website.



- **Alarm Installation – 91127** (Excluding Professional)
- **Carpentry Interior – 91341** (Cabinet Install./Finish Work Only)
- **Carpet Cleaning – 91405**
- **Chimney Cleaning – 91481**
- Debris Removal Contractors – 91629
- Farm Machinery Operations (By Contractors) – 94225
- Fence Erection Contractors – 94276
- Fire Extinguishers (Servicing, Refilling or Testing) – 94304
- **Floor Covering Installation – 94569**
- Forestry Service Operations – 43822 (Including Water Tenders, Reforestation, Road Building, Timber Cruising, Tree Thinning, Brush Removal, Cleanup & Maintenance)
- **Inspection & Appraisal Companies – 96317** (Excluding Professional)
- **Janitorial Services – 96816**
- **Landscape Gardening – 97047** (Excludes Backflow Testing)
- **Lawn Care Services – 97050**
- **Painting, Interior – 98305**
- **Pest Control Services – 43470** (Excluding Professional)
- Septic Tank Systems (Cleaning) – 98805
- Sewer Cleaning – 98813
- Sign Erection, Installation or Repair – 98993
- Sign Painting & Lettering – 99003 Inside Buildings, 99004 on Buildings/Structures
- Snow and Ice Removal – 99310
- **Sprinkler Installation – 94444** (Underground)
- Swimming Pool Installation – 99506 Above Ground, 99507 Below Ground
- **Tile, Stone, Marble – 99746** (Interior Construction)
- **Tree Pruning, Dusting, Spraying, Repairing, Trimming – 99777** (No Logging/Lumbering operations)
- **Window Cleaning – 99975** (No Pressure Washing Operations)

IMPORTANT NOTE: Some classes may be subject to the Exterior Building Envelope Exclusion

Remember that this Rate Sample Indicator is only for GL – other lines should be submitted through submissions@redshield.com

NEW: Commission and Direct Bill Policies

Did you know you will now receive your commission on Direct Bill policies (including Installment policies) when the premium is booked? You no longer have to wait to receive your commission.

We have also made changes to our Statement so it is easier to read and understand. Check out the new format for our statement: www.redshield.com and click on "Statement Q & A" under the FAQs tab.

Helpful Tips to Get a Quote!

1. On your email and application, please include your 4-digit agency number. This ensures the submission is logged to the correct agency. If you do not know your agency number, please contact our Marketing Department.
2. When sending in a submission, please include your anticipated date for receiving our quote for the risk. This will help us to prioritize our work more efficiently.
3. If you are not sure about the eligibility of a particular type or class of business, please call or send an email to a Red Shield underwriter. Our underwriting capabilities are “outside the box,” and we welcome your specific risk questions.
4. To help us correspond with you, please be sure to provide as much contact information as possible in your email; such as, the name of the agency, address and phone number in your email signature line. As we grow, we are working with more agents, and it is extremely helpful to know this information.



PROTECTING YOUR CLIENTS

Floating Property – Replacement Cost

“With our country’s current economy in deflation, my floating home is not worth that much anymore!”

This article addresses floating home policies written under Broad Form FP 120. A floating home can be worth two very different amounts:

1. Market Value
2. Replacement Value

When buying floating home insurance, **replacement value** is what matters.

Market value is an agreement between a buyer and a seller. The price a buyer is willing to pay may be influenced by a floating home’s location, age, proximity to services and other factors apart from its size and quality of construction. The result is that a floating home’s replacement cost can be higher than its market value.

Your client, the floating homeowner, should have enough insurance to build a new floating home with the equivalent materials, design and care as the original at today’s prices.

Please have your client take a look around their floating home. Does it have lath and plaster walls, arched entries, built-in bookcases, hardwood floors, fancy trim, French doors, beamed ceilings? Special features such as these can add to the cost of rebuilding.

To ensure adequate coverage, discuss these issues with your client as to whether they have enough coverage to replace their floating home with the same materials of like kind and quality as the one they have now.

We may be in a condition of inflation, but deflation has nothing to do with rebuilding a floating home from scratch.

Safety Tips for Woodstoves & Space Heaters

(It's what you can't see that can burn you!)

PLEASE PASS THIS ON TO YOUR CLIENTS

Woodstove General Safety

- Clean chimneys and have them inspected yearly for creosote accumulation, cracks, crumbling bricks and obstructions. If wood is the primary heat source, clean chimneys twice a year.

- Keep gasoline and other flammable liquids out of dwellings / commercial businesses. Never use gasoline, lantern fuel, kerosene, lighter fluid, or similar liquids to start or “freshen” a fire in the stove.
- Use a metal container with a tight-fitting lid for removal of ashes. Take them outside to a safe place for disposal.
- Check your smoke detector regularly to make sure it is operating properly, and change the battery at least two times a year.
- Fire extinguishers are a good idea in all dwellings / commercial businesses, but are especially important to have if you have a woodstove. Be sure to keep your fire extinguisher accessible.

Space Heaters

- Put at least 36 inches of empty space between space heaters and everything else, including furniture, curtains, walls, papers and people.
- Replace frayed or cracked cords on portable electric heaters. Service the heater if the cord gets hot.
- Don't use extension cords with portable electric heaters. This is a common cause of fires.
- Turn off portable heaters when asleep or away from buildings / commercial business.

Bed Bugs Have Arrived in the Pacific NW

Bed bug infestation has been an expanding problem on the East Coast for a number of years, and it appears that our turn has come. Reported incidents of bug bites from guests in motels, residents in apartments, from purchasers of secondhand furniture, etc., have been sensationalized in the local news lately. Bed bugs live in mattresses, carpeting, wall crevices and other dark spaces. Bed bugs spread easily – they can hitchhike in luggage, furniture and clothing. Once a colony is established, bed bugs can reproduce rapidly. Due in part to long life cycle phases, bed bugs can be difficult to identify and eradicate.

Awareness of the issue and proactive planning are the initial priorities for your Insureds. There are many public resources for additional information, including the Federal Center for Disease Control website (www.cdc.gov/parasites/bedbugs) and The Bed Bug Registry (www.bedbugregistry.com).



Renewal / Rewrite Change for FPP & MIP Policies

We recently changed our renewal / rewrite procedure for direct-billed floating homes and yachts.

If an envelope with payment is postmarked after the policy expiration date, the policy will be rewritten as of the postmark date plus one day. If your office receives a check on or before the expiration date, please let us know, as there would be no lapse in that case. Likewise, if the Insured delivers a check to our office on or before the expiration date, there will be no lapse.

Example: A policy expires 11/2/11. The payment is postmarked on 11/4/11. The coverage would be rewritten as of 11/5/11.

Carbon Monoxide Detectors & Rental Dwellings

New Oregon Law effective 4/1/2011

ORS 476.725

(This is a summary and not a substitute for reading the entire statute)

As a reminder, effective April 1, 2011, all rental dwelling units that have a carbon monoxide source or are located within a structure having a carbon monoxide source are required to have a carbon monoxide alarm.

Sources of Carbon Monoxide

- a. A heater, fireplace, furnace, appliance or cooking source that uses coal, wood, petroleum products and other fuels that emit carbon monoxide as a by- product or combustion. Petroleum products include, but are not limited to, kerosene, natural gas or propane.
- b. An attached garage with a door, ductwork or ventilation shaft that communicates / attaches directly with a living space.

Oregon Law Regarding Smoke Alarms

Landlord / Tenant Requirements – ORS 479.270

(This is a summary and not a substitute for reading the entire statute)

Landlord responsibility for smoke alarms in rental dwelling units:

The owner (or authorized agent) of a rental dwelling unit must supply, install and maintain smoke alarms or detectors approved for sale in Oregon and must provide tenants with written instructions for testing them;

1. Prior to the beginning of every new tenancy when the tenant first takes possession of the premises; and
2. Upon written notice from the tenant of any deficiency. (This does not include replacing dead batteries which is the tenant's responsibility ORS 479.275)

This information has been provided by the Office of State Fire Marshal. For further clarification about smoke alarm requirements and technology, contact your local fire department.



Congratulations to:

- **American Underwriters Ins Agencies** - Tacoma, WA
- **Ed Clark Insurance Inc** - Salem, OR
- **Kramer Insurance Group LLC** - Vancouver, WA
- **Lackey Insurance Agency LLC** - La Grande, OR
- **Murray Insurance Services** - Gold Beach, OR
- **Pieper-Ramsdell Agency Inc** - St. Helens, OR
- **Protectors Insurance LLC** - Medford, OR
- **Ross & Associates Ins Svcs Inc** - Portland, OR

Our Agency Recognition Program is based on factors such as number of submissions, growing book of business, large risks, and hit ratio.

Thank You For Your Business

The staff at Red Shield Insurance Company would like to thank all of its partners for the business written and your contribution to the success of our company during 2011. We continue to strive to be your choice for risks that fit our unique appetite.

We would also like to thank all of you who have checked out our Producer Lounge and to those who are using our Rate Sample Indicator (R.S.I.).

Any coverage information contained in this Newsletter is intended for general information only. Specific coverages, conditions and exclusions are given in the policy contract itself. Please review the policy for specific details. Any coverage information provided herein supersedes and replaces any previous related general information.

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Our mailing address is:

Red Shield Insurance Company
1411 SW Morrison St., Suite 400
Portland, Oregon 97205

RSI WINTER 2012 1-800-527-7397
