



AN E & O LOSS CONTROL PROGRAM FOR ALL AGENCIES



Special Topic CPIA Seminar



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SECTION 1: WHY CREATE AN E&O LOSS CONTROL PROGRAM?

During this section we will:

- understand the real threat of Errors and Omissions claims against insurance agents and agencies
- examine the benefits of developing an internal loss control program to minimize E&O exposure
- assess the cost of E&O claims within an agency
- identify actions that may give rise to an E&O claim

THE REALITY OF E&O CLAIMS

1. **Agencies of every size are sued for E&O claims**
 - a. Smaller agencies
 - May have stronger personal relationships
 - May not have as many formalized procedures
 - b. Larger agencies
 - May have more formalized procedures
 - May have larger clients with higher demands
2. **Agencies are sued for E&O regardless of their location**
 - a. Large metropolitan areas
 - b. Small rural communities
 - c. High litigious areas as well as those which are not
3. **Agencies are sued regardless of their area of specialization**
 - a. Independent agencies
 - b. Direct writing agencies
 - c. Surplus lines brokerages
 - d. Every type of specialization
 - Trucking
 - Municipalities
 - Non-profits
 - Manufacturing
 - Personal lines
 - Small commercial

Does your agency specialize in one or more areas of coverage? List your areas of specialization below.

Agencies will frequently “brag” about their expertise in their marketing material (brochures, website, social media, etc.). Discuss how this will impact the agency's defense if an E&O claim in one of these areas occurs.

THE COST OF HAVING AN E&O CLAIM

Direct Costs

1. Payment of the agency's E&O Deductible
2. Producer may be required to participate in the agency's deductible
3. Cost of E&O policy premium may increase because of loss history

Cost of Lost Time (and time is money)

1. Gathering file information
2. Reporting to E&O carrier
3. Writing a chronological list of events
4. Meeting with attorneys or claim representatives
5. Answering interrogatories
6. Giving depositions
7. Going to mediation
8. Going to trial
9. Appealing a verdict



Indirect Costs

1. Loss of the customer
2. Cost to replace that customer
4. Damage to the agency's reputation
5. Too many E&O claims may influence the E&O carrier's desire to renew the E&O policy
6. Effect on morale

E&O LOSS PREVENTION TIP

Always review your marketing and advertising materials to ensure you are not over-promising or creating higher than necessary expectations. Stating that you "specialize" or are "most experienced" in a particular area of insurance raises the bar for your performance in that area.

If an E&O claim occurs in your area of specialization you could be held to a higher duty than an average agency.

AN INTERNAL E&O LOSS CONTROL PROGRAM

1. Creates or changes agency culture

- Every agency has their own culture
- This can include dress, structure, management style
- A strong E&O culture means that management has an open door for discussing issues and welcomes suggestions

2. Promotes an environment of awareness

- With every transaction
- Making sure you “dot your I’s and cross your T’s”
- Always in the back of your mind

3. Educates employees

- Agencies with an E&O culture have a learning environment
- Employees understand the “why” of how things are done, not just the rules
- Promotes additional education, not just CE requirements
- Encourages professional designation programs

4. Creates uniformity

- Everyone doing tasks the same way all the time
- Written standards and procedures
- Everyone required to comply with agency standards

5. Improves documentation

- Employees are trained in good documentation habits
- All customer-related documents are attached to the management system
- All conversations with or about a customer are noted in the system
- Documentation is clear and can be easily understood by all

6. Enriches the customer experience

- Agencies that are well-organized and staffed with knowledgeable employees are a joy to work with – customers notice the efficiency and caring
- Happy customers lead to higher retention which makes the agency more profitable

7. Reduces errors

- Having good processes in place leads to good work habits
- Good work habits minimize errors
- E&O awareness causes everyone to stop and think with each function completed

8. Supports better internal communication

- A good culture includes holding regular department or agency meetings
- Good communication helps verify that everyone understands what is expected of them in the performance of their job

9. Helps position the agency to better defend E&O allegations

- With good agency practices and complete documentation, the agency is ready to demonstrate what really occurred if allegations arise

E&O LOSS CONTROL AND REMOTE WORKERS



Changes to agency culture

Although some agencies have used remote workers for many years, changes in our workforce have caused other agencies to allow flexibility for those employees who wish to work from home.

Some agencies are allowing employees to work remotely one or two days each week, while others have transitioned to a full-time remote workforce.

Challenges for uniformity

It is more important than ever to have clear written standards and procedures to ensure all employees understand management's expectations in the completion of each task.

Most employees find they work in exactly the same way whether working from home or the office, while others may feel like the rules can be bent a bit when working from home. Management must be diligent in monitoring everyone's work to assure that agency standards are consistently met.

Having regular department meetings and easily accessed supervisors or team leaders helps remote employees feel connected to the office.

HOW IS YOUR AGENCY HANDLING EMPLOYEE'S DESIRE TO WORK FROM HOME? _____

SHOULD ONLY SEASONED, EXPERIENCED WORKERS BE ALLOWED TO WORK REMOTELY? _____

HOW HAS A REMOTE WORKFORCE AFFECTED YOUR AGENCY'S CULTURE? _____

WHO DONE IT? WHY'D THEY DO IT?

WHAT SHOULD THEY HAVE DONE DIFFERENTLY?

(A Team Exercise)

THE FACILITATOR WILL ASSIGN ONE OF THE REAL-LIFE E&O CLAIM SITUATIONS FOUND ON THE FOLLOWING PAGES TO YOUR GROUP. READ AND ANALYZE THE DETAILS OF THE CLAIM. RECORD YOUR OBSERVATIONS BELOW.

DID THE AGENT OR AGENCY DO ANYTHING WRONG? IF SO, WHAT?

HOW WOULD AN INTERNAL LOSS CONTROL PROGRAM HAVE HELPED?

WERE THERE ANY STEPS THAT COULD HAVE BEEN TAKEN TO HELP PROVIDE A BETTER DEFENSE?

REAL LIFE E&O CLAIM EXAMPLES 1 – 3

E&O Claim #1

John Davis had his home and auto insurance with the agency for many years. About eight years ago he was badly injured and has since been wheelchair-bound. He has a live-in caretaker (aka girlfriend Barbara) who drives his vehicle and transports him. One day, John called the agency to add a second vehicle. The agency was suspicious and asked who owned the vehicle. John said he did. The carrier was suspicious and asked to see a copy of the title, but meanwhile processed the endorsement adding the vehicle. The agency requested the title from John, but never received it. Six months later, Barbara had a terrible accident while driving the car. The vehicle was totaled, and Barbara was injured. The carrier then learned that the vehicle was titled in Barbara's name and denied the claim. John and Barbara then sued the agency.

E&O Claim #2

Kyle and Bette Vandenberg live in the country and have a few animals – a couple of sheep, rabbits, chickens, and three dogs. They were looking for a new homeowner's policy and contacted agent Jim Bloom. Jim came out to their home and took some measurements and obtained a signature on the application. A policy was issued by Home Farm Insurance Company. Just two months later, a neighbor boy who was playing in their yard was bitten by Vandenberg's Doberman. The carrier denied coverage, since the box on the application was checked "NO" in answer to the question of whether they owned any dogs. Home Farm voided the policy back to its inception based on material misrepresentation. The Vandenberg's state that Jim just put a paper in front of them to sign, and that they were not given an opportunity to review the application. Besides, they say, everyone sees their Doberman as soon as they drive up since the dog greets every vehicle that comes up their driveway, including Jim's when he visited to write the policy. They feel that Jim had lied on the application and are now suing him.

E&O Claim #3

An inexperienced producer wrote coverage for a small business that also sold a few cars on the side (their owner's own vehicles plus some owned by others that he held for sale). When submitting the application, the producer asked the underwriter two questions:

1. What are the options for a premium payment plan?
2. Did I use the correct auto symbols for this risk?

The underwriter answered the question about the payment plan, but never acknowledged or responded to the question about the symbols. The policy was issued with a liability symbol 27 (Specifically described autos) which was requested on the application. Subsequently, a loss occurred involving one of the vehicles held on consignment. Since it was not described on the policy, there was no coverage. The appropriate coverage for this type of risk should have been symbol 21 (any auto). The business has brought an E&O claim against the producer, claiming that the coverage they requested was not provided.

REAL LIFE E&O CLAIM EXAMPLES 4 - 6

E&O Claim #4

The Johnsons owned a home near a river. They contacted Lyle Lester at ABC agency to write flood insurance on the home. Lyle wrote a policy for the maximum limit with a carrier through National Flood Insurance's "WYO" (Write Your Own) program. The Johnsons explained they had a beautifully finished basement with thousands of dollars in furnishings and other personal property in that area. Lyle assured them that their property was covered, up to the limit of the policy. That next spring, the river breached its banks and flooded the Johnson's home. The carrier denied all of the damage to the personal property on the basement level. As a result, the Johnsons sued Lyle and ABC Agency since they had been assured that they were covered.

E&O Claim #5

The insured's business property policy was canceled due to losses. The CSR in the agency had difficulty finding a carrier willing to write the coverage. Over the next year, the CSR worked on it periodically but never would finish what she started. Finally, after 18 months without coverage, the CSR found a carrier willing to write the property. A few months after coverage was secured, one of the buildings burned down. The carrier checked the application. To the question "*Have there been any losses?*" the application indicated "NO". To the question "*Has there been continuous coverage?*" the application indicated "YES". The carrier denied coverage based on fraud and material misrepresentation. The insured sued the agency. The CSR's defense? She said the underwriter told her to answer the questions this way so the automated system would not reject the application.

E&O Claim #6

The agency insured a property management company. Demolition was being scheduled for a large commercial building and the property manager requested a quote for demolition coverage. The agent received a verbal indication from a surplus lines broker and gave the customer the "ballpark" quote, which of course was expensive. The property manager said, on second thought, he has worked with the demolition company on many occasions, and since they do such a good job, he is just going to trust them and go without the coverage. During the demolition, something went very wrong, resulting in several fatalities. The property manager now says the agent told him he didn't need demolition coverage since his umbrella policy would cover that exposure. He is now suing the agent.



Excellence is an art won by training and habituation. We do not act rightly because we have virtue or excellence, but we rather have those because we have acted rightly. We are what we repeatedly do. Excellence, then, is not an act, but a habit.

-Aristotle

SECTION SUMMARY

We hear lots of stories about Errors and Omissions claims and we like to think that they happen to someone else, not to us. The truth is we are all very vulnerable to E&O claims.

Creating an internal E&O Loss Control culture is more than having good procedures that everyone follows and more than entering good documentation – although those are important first steps. Having an E&O avoidance culture means that with every task performed, with every email, with every phone call, we never forget to be aware of the importance of accuracy, education, and documentation.



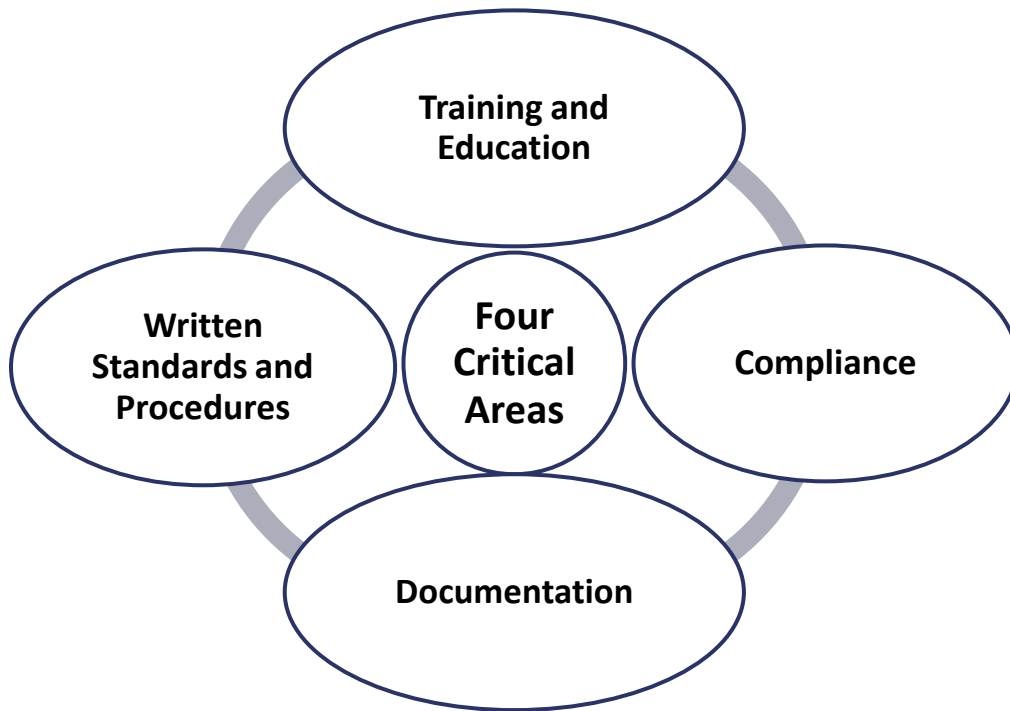
SECTION 2: CRITICAL AREAS OF ATTENTION

During this section you will:

- learn the four critical areas related to E&O loss control
- discuss the various areas in which education can be enhanced in the insurance industry
- understand the reasons that agencies should develop written standards and procedures
- explore the methods of creating a quality control program in the agency
- discuss the advantages of quality documentation and learn tips to help you document better

FOUR CRITICAL AREAS IN E&O LOSS CONTROL

The “trick” to getting E&O exposure under control is to make sure these four areas are addressed first.



When you learn to read, you begin with A, B, C.

E&O Loss control begins with addressing these four areas.

Within each of these areas there is room to drill down and address most operational issues in an agency.



TRAINING AND EDUCATION

More than just CE!

- **E&O Education**

- Classes offered by your E&O carrier
- E&O classes from other sources

- **Insurance Knowledge Classes**

- INS, CPCU, CISR, CPCU, etc.
- CE classes with a coverage focus
- Learning how to read a policy, interpret coverage

- **Risk Management**

- Risk management designation programs such as CRM, ARM, CPRM
- CE class that focuses on the process of risk management

- **Understanding the Law**

- Agent's duties
- State and federal laws (Licensing, Privacy, Workers Compensation, Auto Insurance)

- **Knowledge about your agency's systems and workflows**

- Agency management system, document management system, comparative rating system, Outlook, etc.
- Participating in user group programs

- **Knowledge of your customer's concerns**

- What they do, how they do it, how to find their exposures
- Critical factors in your customer's success

- **Professional Development**

- Working toward achieving personal, and professional goals
- Taking classes that promote your professional development
- CPIA - Certified Professional Insurance Agent



E&O LOSS PREVENTION TIP

Sometimes agents get so busy the deadline for compliance with Continuing Education (CE) requirements sneaks up on them. Agents in that situation will seek the quickest, easiest CE credits they can, regardless of the content. Although that is understandable occasionally, it should not be the norm. Conscientious agents should plan their CE classes in advance, seeking out programs that will raise their expertise and knowledge in specific areas. A more knowledgeable agent is better equipped to counsel customers about the coverage they need. They are able to educate the customer about exposures and coverages.

WRITTEN STANDARDS AND PROCEDURES

Efficiency, uniformity, and minimization of errors all start with having standardized procedures

1. Reasons to have written standards and procedures

- a. Allow management to communicate expectations for each task performed
- b. Become a helpful tool for employees, ensuring each function is completed as required
- c. Are invaluable in training new employees, whether they have previous “experience” or not
- d. Help reduce operating costs by eliminating redundancies and optimizing the use of resources
- e. Can be used as a point of reference when performing employee evaluations
- f. Are an integral part of an operational audit process, providing guidelines for measuring employee compliance
- g. Support consistency, ensuring that everyone performs tasks the same way all the time
- h. Provide invaluable documentation if it should become necessary to defend an E&O claim

2. Standards

- a. Unique to each agency
- b. Communicate time requirements
- c. Communicate base-line performance, whether in sales or in service (the nevers, and the always, the shoulds and the musts)
- d. Help to reduce E&O exposure
- e. Should be developed for each workflow
- f. Examples:
 - Always issue Certificates of Insurance within one business day of the request
 - All general liability policies must include limits of \$1,000,000/\$2,000,000 or higher
 - Every homeowner’s policy must include coverage for replacement cost on personal property
 - Claims reported to the agency should be reported to the carrier on the same day
 - Signatures must be obtained on all new business applications regardless of the carrier’s requirement to do so
 - An exposure/coverage checklist should be completed for each new account written
 - Never allow a third party to sign an application on behalf of the insured



3. Step-by-step workflows

- a. Identified for each function performed in the agency
- b. First, focus on the steps in a process that may be unchanged regardless of the management system used
- c. Then add steps that are unique to your current systems
- d. These can be enhanced with screen prints if desired
- e. Post the procedures on the agency’s intranet or shared drive with links for easy access and simple navigation

WRITTEN STANDARDS AND PROCEDURES

(CONTINUED)

4. For every department or unit in the agency

- a. Commercial
- b. Personal Lines
- c. Benefits – Life & Health
- d. Financial Services
- e. Claim Department
- f. Others: Bonds, Loss Control, Trucking Unit, etc.



5. Recognize that some Standards and Procedures could or should be applied agency-wide, regardless of the department

- a. Documentation
- b. Telephone/ Voice Mail/ Faxing
- c. Email
- d. Document management/ storage/ retention
- e. Suspense/ follow-ups
- f. Using forms (Binders/ Auto IDs/ Evidence of Coverage)
- g. Using form letters and macros
- h. Expirations
- i. Using wholesale markets, surplus lines, residual markets
- j. Handling claims

Group Exercise: It is important that management communicates the agency standards to all employees, and they may be very different from one agency to another. List all of the “standards” you can think of which could apply to handling one of the following workflows: *(Circle the one you choose)*

New Business	Renewals	Policy Changes/ Endorsements
Certificates of Insurance	Cancellations	Claims
Documentation	Email	Surplus Lines

COMPLIANCE

The “Quality Control” of the agency

1. Why check? Why audit?

- a. Helps ensure that everyone follows agency standards and procedures
- b. Supports checks and balances
- c. Acts as the agency’s “quality control”

2. What should be checked?

- a. Verify procedures are being followed
- b. Review the accuracy of coverage information input in the agency management system
- c. Evaluate whether documentation is adequate and understandable
- d. Compare actual processing time to timetable requirements
- e. Monitor open suspense items for each employee to uncover backlogs
- f. Observe the interaction of staff with clients and/or underwriters when speaking on the telephone
- g. Run reports to see where time is being spent and perform peer comparisons
- h. Review activities/notes and attachments to ensure standards are met
- i. Run phone reports to determine the number of incoming and outgoing calls by employees, as well as call duration
- j. Check outgoing documents to ensure correspondence meets agency standards
- k. Check outgoing email to verify all communication meets agency standards

QUALITY IS EVERYONE'S RESPONSIBILITY

~W. Edwards Deming



DOCUMENTATION

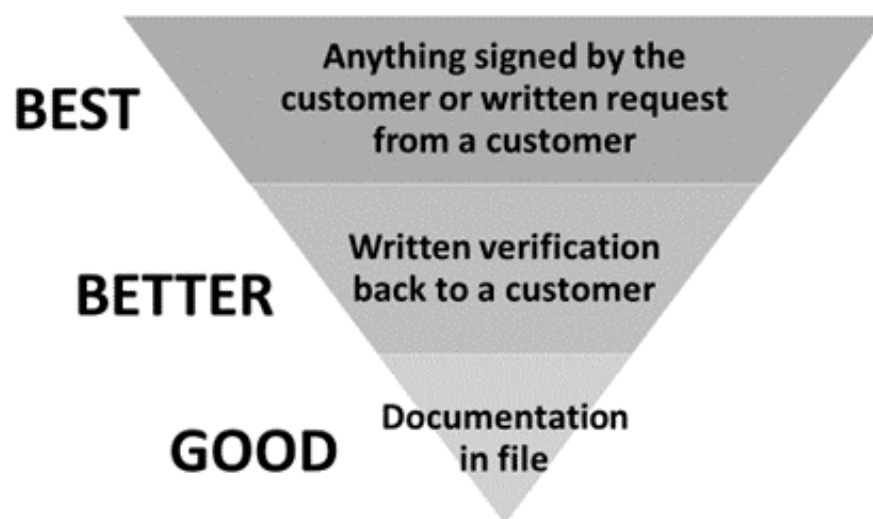
When agencies find themselves presented with an E&O claim, there is nothing that will be more helpful than complete, accurate, detailed documentation.

1. Importance

- a. Helps others in the agency see what is happening or what has happened with an account or policy
- b. Becomes the “back story” for every customer interaction
- c. Quality documentation is invaluable at the time of an E&O claim

2. Level of Documentation

- a. A note in the file is **good** documentation
- b. Anything in writing to a customer is **better** documentation (a letter or an email)
- c. Something in writing from the customer or something that they have signed is the **best** documentation. Examples:
 - Letter
 - Email
 - Signed waiver form
 - Signed application



DOCUMENTATION TIPS

- ➔ **All communication with customers or regarding an individual customer should be documented.** If the communication was in the form of a telephone conversation, the call should be recapped in the note or activities section of the agency management system. Multiple calls may be combined into one activity as long as the documentation clearly captures pertinent information discussed and the dates of each subsequent contact are clearly indicated.
- ➔ **Documentation should indicate the name of the person spoken with, an indication as to who initiated the contact, and for what reason.** The first and last name of the individual spoken with should be shown along with the person's organization.

Examples:

- *Bill Brown from Brown Manufacturing*
- *Jill Brown @ ABC Ins Co*
- *Will Brown from Dent 'n Go Body Shop*

Doing so eliminates any doubt in the future as to who spoke with whom. This protects the agency even after an employee involved in a conversation is no longer with the agency. The practice of stating “spoke with insured” should be avoided and the name of the insured used instead. For personal lines accounts, it is sufficient to state “Mrs. Brown” or “Sally B” in lieu of their first and last name.

- ➔ **All email correspondence to customers, from customers, or regarding a particular customer should be attached to the documentation in the agency management system.** Activity and attachment descriptions should not be allowed to default to “email” or some other generic pre-fill. Agencies should establish labeling protocols to clarify how attachments and documentation are recorded. Employees should recap who an email was from or to and the general reason for it. This aids other employees in locating an email later.

Example: *Email from Jill Brown@ABC Co asking for updated driver list*

The email and its attachment can then be easily pinpointed and viewed in the future by any other employee.

- ➔ **All letters and memos related to a particular customer should be attached to that customer's file in the agency management system.** As with the emails, any activity or attachment description needs to clearly depict the content of the letter or memo.

DOCUMENTATION TIPS

(CONTINUED)

- ➔ **All scanned or captured documents should be attached to the customer file in the agency management system.** If the agency uses a separate document management system, the documentation note or activity should link to that particular document whenever possible.
- ➔ **Descriptions in the documentation should be easily understood by everyone.** Written procedures should define any abbreviations which are acceptable and not permit the use of other abbreviated words which may be difficult for others to interpret. When documentation is used in defending E&O allegations, it may be a jury who is required to read and understand the meaning of that documentation.
- ➔ **When entering documentation, indicate which policy the documentation relates to whenever appropriate.** This allows someone to easily locate a document by filtering the view to include only that policy or line of business.
- ➔ **The attachment of an internal email that summarizes a conversation can serve as adequate documentation** when attached to the customer record in the agency management system.
- ➔ Other documentation should be discouraged, for example:
 - Outlook
 - Telephone logs



E&O LOSS PREVENTION TIP

The quality of documentation is determined at a later time when you need it. Try to think ahead to that time. Will someone else in the agency understand what took place if they are servicing this account a month from now if you are out sick? If the agency were facing an E&O claim, would this clearly communicate what transpired? When having conversations with customers, make sure the documentation demonstrates not only the customer's wishes, but also reflects the highlights of the conversation.

RECOGNIZING QUALITY DOCUMENTATION

Consider each of the following “notes” or “activities” entered into an agency management system as documentation.

What could have made each of these “notes” stronger for documentation purposes?

The insured called to ask what the layup period was on his boat.

Add a 2023 Ford Escape #ABC123XXX999. Replaces 2018 Explorer. Same coverage.

Certificate issued – City of Centerville

Taking off the 19 Camry. Adding 22 Toyota Corolla #JKLABC123. Full coverage.

SECTION SUMMARY

In order to do the best job for our customers we need to have the right tools at our disposal. These four critical areas lay the groundwork for excellence in the agency.

Education not only helps us understand the insurance mechanism better, but it also helps us educate our customers so they can make better coverage decisions. Although there is more than one way to accomplish many tasks in an agency, having **written standards and procedures** eliminates inconsistencies and selects the most effective method for handling each situation. Making sure service work meets agency standards is a form of **quality control**. This is in everyone's best interest. And last, good **documentation** not only creates a complete file, but it can also save an agency in an E&O situation.



SECTION 3: GENERAL AGENCY PROCEDURES

During this section you will:

- examine the procedures that apply throughout the agency, regardless of department

DOCUMENT MANAGEMENT

1. Distribution, handling, and storing of all types of documents

- a. Paper documents
- b. Scanned documents
- c. Captured documents
- d. Email

2. Standards on saving or accessing policy documents

- a. Declarations pages, endorsements, cancellations
- b. Coverage forms

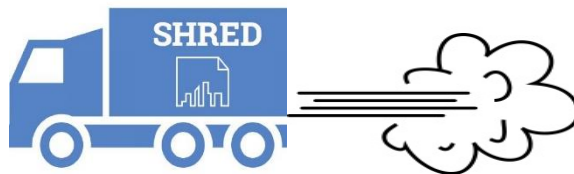


3. Where to store or attach

- a. Agency management system – which includes document management
- b. Separate document management system
- c. Management should set labeling protocols

4. Document retention

- a. What to keep
- b. How long to keep
- c. What to shred
- d. Due diligence with off-site shredding facilities



E&O LOSS PREVENTION TIP

Privacy laws such as HIPAA (The Health Insurance Portability and Accountability Act) and The Gramm, Leach, Bliley Act set regulations about the handling of protected information. Some agencies may choose to limit the amount of protected information they retain in the office. If protected information is stored in your agency management or document management system, make sure your systems are secure. When disposing of paper documents that contain protected information, be sure that they are handled appropriately.

TELEPHONE SYSTEMS

Including Voice Mail, Text Messaging, and Faxing

1. Telephone

- a. Agency standards should address time frames for returning calls
- b. Agency standards should address answering calls rather than allowing them to go to voice mail
- c. Important documentation standards

2. Voice message for incoming calls

- a. Disclaimer statement
- b. When the message will be retrieved
- c. Steps to take if the call is urgent

"Please be advised that you cannot add or change coverage on a policy by leaving a voice mail message. You must speak to an agent for any coverage request".

3. Leaving voice mail messages for customers

- a. Include a brief statement of facts or request a callback
- b. Do not rely on voice mail if your message is urgent or critical to coverage

4. Taking calls on cell phone

- a. In the office or when outside the office
- b. VoIP system that transfer calls to cell number
- c. Documentation of calls on cell phone

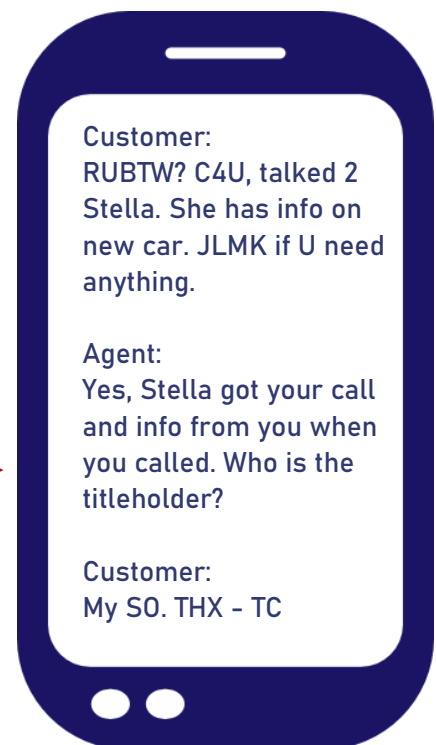
5. Text messaging or instant messaging

- a. Importance of documentation of text messages
- b. Responses should not use texting/shortcut language but spell out complete words and complete sentences
- c. Best solution is agency technology capable of receiving and responding through email

Can you decipher this text message?

6. Faxes

- a. Should have procedures, whether sending & receiving digitally or by paper
- b. Confirm receipts of outgoing transmissions
- c. Retain records
- d. Beware of incorrect dates on incoming faxes



EMAIL

1. Legal aspects

- a. Email documents constitute legal documents in the eyes of the court and email records can be subpoenaed
- b. It is difficult to control who sees or how many copies exist

2. Exposures

- a. Primary form of communication in most agencies
- b. Large numbers of emails are received daily and some employees struggle to keep up to date
- c. Management should establish guidelines
- d. Offer email management courses or webinars to employees
- e. Monitor employee's email volume and offer assistance when needed
- f. Too many emails in an employee's inbox could contribute to items being overlooked which in turn increases E&O exposure

EMAIL HINTS

- Attach all customer-related emails to the customer record in your agency/document management system.
- Storing too many items in the inbox can cause important tasks to be overlooked. Attach email to the customer as soon as possible, then delete it from the inbox.
- Email "strings" or "threads" which involve multiple responses may be attached when the issue is resolved. However, if after three days the item is still open, attach it to the customer record and continue to follow up until resolved.
- Do not use email folders to store customer-related information. All customer-related information should be attached to the agency management system. Duplicate records should not be maintained.
- Use the "out of the office messenger" to respond to emails when you are out. Include instructions for critical service issues.
- Use email encryption or password-protected email when transmitting protected information.
- Include appropriate disclaimer language in the signature line.



Email is familiar. It's comfortable. It's easy to use. But it might just be the biggest killer of time and productivity in the office today.

Ryan Holmes

SUSPENSE ITEMS / FOLLOW UPS

1. Suspense dates should be set for a realistic period of time

- Too short causes unnecessary handling of the file, an employee may not “get to” all items
- Too long could cause someone to miss an important deadline for coverage
- Provide guidelines in your written procedures that address recommended follow-up times for each process

2. Advantages of relying on the suspense function in your management system

- “In your face” daily
- Should stay open in the system until the task is completed (avoid automatic close)
- Should be easily understood and followed up by others
- Supervisors can easily monitor workloads
- Items can be directed to other employees in case of absences

3. Management should monitor past-due suspense regularly

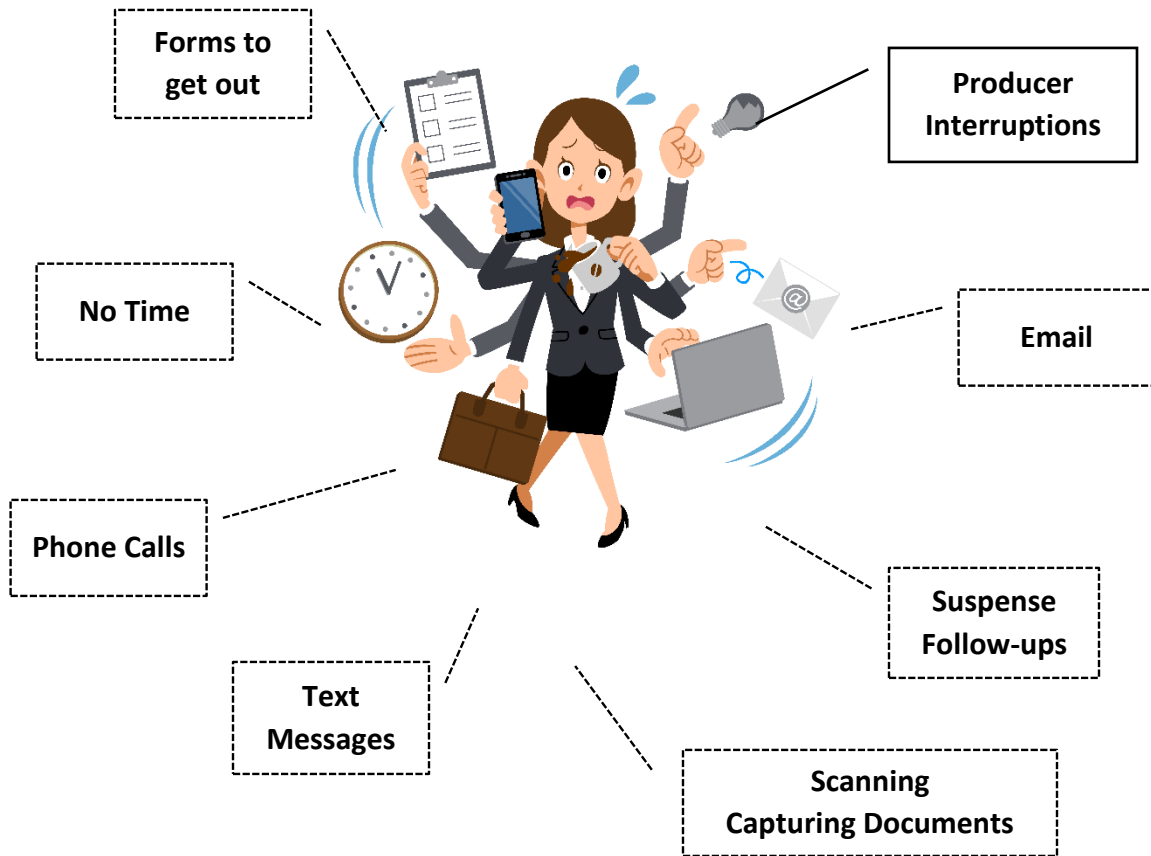
- To detect backlogs
- It can be an indication other work is falling behind

4. Do not use Outlook or similar programs for customer-related follow-ups

- Employees may be tempted to do so because of ease of use
- Your management system should be the sole source of customer-related reminders
- Other employees may not be able to view if reminders are in other locations



GROUP EXERCISE



Which of these areas are the biggest timewasters?

Come up with several suggestions to manage them better and relieve the stress.

DOCUMENTS & COMMONLY USED FORMS

1. Form Letters

- a. Writing letters from “scratch” may create a greater chance of communication errors
- b. Form letters help maintain professionalism and save time
- c. Letters can be programmed to pull customized information from the agency management system
- d. Form letters don’t have to look like “form letters”
- e. Existing letters should be reviewed periodically for updates or replacement
- f. Use system-generated form letters to
 - Notify of policy changes
 - Warn of potential coverage gaps
 - Offer new coverages
 - Confirm verbal communications
- g. Form letters can be attached to an email for those customers who prefer paperless correspondence



2. Email templates

- a. Similar to form letters, sample email templates can be created
- b. These save time and keystrokes but can also be drafted to the agency’s standards

3. Binders and Evidence of Property Forms

- a. Binders can create coverage, so should not be issued without careful review. Management should have guidelines as to when binders should be used and procedures to properly handle them.
 - Distribute binding authority guidelines to employees
 - Prepare and transmit binders the same day coverage is bound
 - Do not issue binders for more than 30 days unless authorized by the carrier
 - Include policy numbers in the binder if known
 - Follow up on all binders that are expiring. Reissue if the policy has not been received.
 - Cancel binders in the same manner that policies are canceled
- b. When writing coverage through surplus lines markets, the agency has no binding authority. Instead, binders should be requested from the wholesale market or carrier.
- c. Many agencies avoid the exposure of using binders by instead issuing Evidence of Property Forms (for property risks) or Certificates of Insurance (for liability risks). Unlike a binder, these forms only communicate coverage in existence, they do not create coverage.

4. Coverage Summaries or Schedule of Insurance

- a. Agents are sometimes tempted to use an Excel spreadsheet or Word document to summarize or list all of the policies or coverage for an insured. Resist this temptation. Simple typographical errors can misrepresent coverage and increase E&O exposure.
- b. Always use the summary or schedule generated from your agency management system. This information should always be accurate as it pulls directly from the current policy application.

EXPIRATIONS

1. Expiration Lists for Commercial Renewals

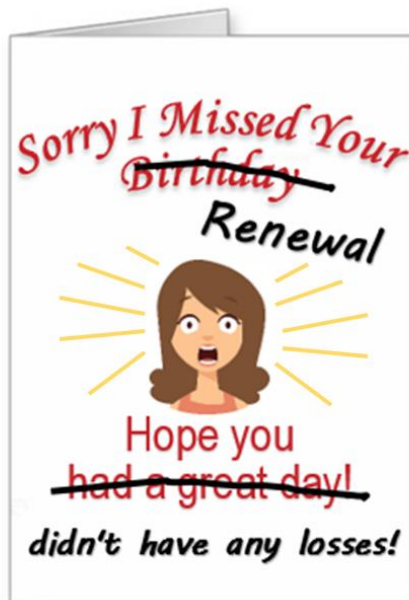
- a. For mid-sized to large commercial accounts, expiration lists should be run 120 - 180 days prior to the renewal month. For small to mid-sized accounts, 90 – 120 days prior to the renewal month. These can be printed or digital.
- b. Lists should be reviewed with the producer to determine if remarketing is needed on any account.
- c. Employees should use lists to ensure that all steps in the renewal process are completed and adequate time is allowed for remarketing accounts.

2. “Missed” expiration report

- a. Management should run a report at least monthly to ensure that all policies have been renewed and no renewal was missed.
- b. Report criteria should exclude any policy “renewed”, “non-renewed”, “rewritten”, “lapsed”, “canceled”, etc. (The remaining policies had not been touched.)
- c. Any policies shown in the report should be addressed immediately.

3. Expiration Lists for Personal Lines Renewals

- a. Most personal lines accounts are automatically renewed and direct billed. Some agencies use the carrier renewal reports to assure that all policies have been renewed and/or downloaded.
- b. It is still possible that some renewals could be missed. The “missed” expiration report should be run for both Commercial and Personal Lines.



**WORSE THAN A
MISSED
BIRTHDAY!**

CLAIM HANDLING

Some agencies are very “hands-on” with claims

- ➔ Encouraging customers to report claims to the agency
- ➔ Assigning employees the responsibility of handling claims
- ➔ Following claims to their conclusion
- ➔ Actively involved in troubleshooting and problem resolution
- ➔ Helping the carrier to find coverage on borderline claims

Other agencies are very “hands-off” with claims

- ➔ Encouraging customers to report claims directly to the carrier
- ➔ Instructing customers to let them know if there is a problem but otherwise staying out of the process

Discuss whether your agency is more hands-off or hands-on with claims. Note your reasons below.

Regardless of your agency’s standards in handling claims, here are some important guidelines:

- Educate yourself on the claim process.
- When taking claim information, advise the customer what to expect in the process but do not promise that a claim will be paid and do not deny a claim.
- Advise the insured of any duties required under the policy (report any theft to the police, protect property, do not admit liability, etc.).
- Report all claims to the carrier promptly. If suit papers are received, forward them immediately to the carrier and follow up within three days to ensure that the claim is set up and assigned to an adjuster.
- Avoid directing the customer to repair shops, service contractors, or restoration vendors. Instead, offer them options and allow them to select a service provider.
- Report all claims to the carrier. Be cautious about advising not to turn in a claim.
- If coverage is being disputed, avoid putting any opinions about coverage to the carrier in writing.
- Encourage your customer to contact the agency if they experience any problems with the claim.

EXCESS AND SURPLUS LINES / RESIDUAL MARKETS

1. Exposure when writing Surplus Lines Business

- a. Be selective about the surplus lines brokerages with which you do business.
- b. The agency has no binding authority for business placed with uncontracted carriers. Take extra precautions when writing new coverage or making policy changes. The carrier or broker with authority must bind coverage.
- c. Do not issue binders but request them from the issuing broker.
- d. Do not issue Certificates of Insurance without their authority. Always send them copies of the Certificates that you issued.
- e. Be knowledgeable about your state laws in dealing with non-admitted carriers. Some states require that an affidavit be filed. Others require a record of rejections from your standard carriers.
- f. Review the policy carefully upon receipt. Policy language is non-standard. Be alert to exclusionary language in the policy or endorsements that are unexpected.
- g. Review the policy annually to see if it might be eligible for coverage through a standard market.
- h. Require the surplus lines brokerage firm to provide you with evidence of their E&O coverage on an annual basis.

2. If your agency holds a surplus lines license

- a. Be sure policies written under the license are reviewed by the person(s) holding a surplus lines license.
- b. Have a fool-proof system in place to ensure taxes and fees are paid in a timely manner to the appropriate authority.

3. Residual Markets

- a. These are markets subsidized by government programs, such as the National Flood Insurance Program, Assigned Risk automobile, Assigned Risk Workers Compensation, property pools, wind pools, etc.
- b. Similar to surplus lines, your agency has no contracted authority to bind coverage.
- c. Use extra care in completing applications and obtaining deposit premiums since errors could delay the inception of coverage.
- d. Take precautions when writing new coverage or making policy changes since you have no authority to bind.

E&O LOSS PREVENTION TIP

A good practice is to request the surplus lines brokerage firm provide you with evidence of their E&O coverage on an annual basis. If a loss occurs involving a piece of business placed through a surplus lines brokerage firm, that brokerage could be pulled into the claim as well. You don't want your agency standing alone as the only "deep pocket."

SECTION SUMMARY

During any given day in the office, employees need to use multiple tools and rely on multiple skill sets in order to get the job done. Having good, written procedures for each of the functions in the agency helps assure the tasks meet agency procedure standards and are performed in the most efficient manner.

Everyone has different strengths and sharing those with others helps improve overall performance in the agency.



SECTION 4: WRITTEN PROCEDURES FOR EACH DEPARTMENT

During this section you will:

- learn the importance of having department-specific procedures
- review some important areas to include in department procedures
- examine some of the areas that demonstrate E&O claim frequency

DEPARTMENT PROCEDURES

For every department in the agency there should be written standards and procedures that address each workflow:

1. Personal Lines
2. Commercial Lines
3. Life, Health, Benefits, Financial Services
4. Other Departments such as
 - Claims
 - Loss Control
 - Bonds
 - SBU
 - Trucking
 - Etc.
5. Some agencies have written standards and procedures for producers, accounting, managers, trainers, or any other functions in the office



Do you have written procedures in your agency? _____

If yes, when were they last updated? _____

If yes, do you have them for every department? _____

Discuss and list barriers in creating written procedures or keeping them up to date.



PERSONAL LINES



Consider addressing these areas when writing or updating Personal Lines Procedures:

- ☐ Agency standards should outline minimum recommended coverages and limits for each type of policy.
- ☐ Standardized checklists or quote sheets should be used by all employees to uncover exposures on new accounts.
- ☐ When writing coverage for a married couple, name both spouses as named insured on all policies.
- ☐ Obtain signatures on all new business applications, even if not required by the carrier.
- ☐ Check all policies and endorsements for accuracy, even if downloaded.
- ☐ Do not make changes to a policy if requested by another party unless first confirmed with the insured. Include guidelines for handling requests from other relatives, such as children of elderly customers.
- ☐ Provide guidelines for handling divorce or separation issues, ensuring that coverage is not removed for one insured without their consent.
- ☐ Require written confirmation when a request is made to remove significant coverage from a policy.
- ☐ Have a process to periodically contact each customer and perform a complete account review.
- ☐ Avoid contacting customers to remind them of direct bill late payment notices.



LIFE, HEALTH AND BENEFITS



Consider addressing these areas when writing or updating Procedures in Life, Health & Benefits

- ☐ Written procedures should be in place for every workflow in the department.
- ☐ All documentation related to an account should be attached to the customer record within the agency management system.
- ☐ All new and renewal contracts should be checked for accuracy.
- ☐ Adopt uniform standards for handling information under HIPAA and HITECH.
- ☐ Other departments in the agency should not have access to protected information related to life and health accounts.



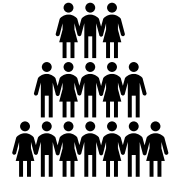
COMMERCIAL LINES



Consider addressing these areas when writing or updating Commercial Lines Procedures:

- ☐ Agency standards should outline minimum recommended coverages and limits for each type of policy.
- ☐ Standardized checklists should be used by producers to uncover exposures on new accounts.
- ☐ Consider providing producers with “kits” or checklists to ensure that all needed information is obtained in order to adequately market the risk.
- ☐ Obtain signatures on all new business applications, even if not required by the carrier.
- ☐ Quotes, policies, and endorsements should be checked for accuracy by two individuals.
- ☐ Proposals should be generated through the agency management system.
- ☐ Proposals or letters for new business and renewals should state “higher limits may be available.”
- ☐ Do not make changes to a policy if requested by another party unless first confirmed with the insured.
- ☐ Require written confirmation when a request is made to remove significant coverage from a policy.
- ☐ Expiration lists should be furnished to employees in a reasonable time frame to allow for remarketing if needed.
- ☐ Every insured should be contacted at renewal, even if only by renewal letter (for smaller accounts). The letter should advise the insured to review the renewal carefully and contact the agency with any needed updates or additions to coverage.
- ☐ Avoid contacting customers to remind them of direct bill late payment notices.
- ☐ A written recommendation to purchase tail coverage should be sent to any insured when a claims-made policy is canceled.
- ☐ A written recommendation to purchase products/completed operations coverage is sent to any insured who cancels a policy due to ceasing business operations.
- ☐ Clear standards should be developed regarding the handling of Certificates of Insurance. Language should not be added to Certificates without carrier approval.
- ☐ Complex Certificate requests should be reviewed by employees who have a broad understanding of the coverage issues involved.
- ☐ When relying on a blanket additional insured endorsement, the Certificate should include a copy of the pertinent endorsement and state “per the attached”.

MANAGEMENT CONCERNS



In addition to having good standards and procedures in place, management should address these additional areas to improve the agency's E&O exposure.

1. Carriers and contracts

- Contracts and brokerage agreements should be reviewed and scrutinized before signing
- Maintain a minimum standard for an AM Best rating for carriers of A or higher
- Monitor carrier ratings
- Clearly outline any E&O responsibilities for contracted producers

2. Processes and workflows

- Monitor workloads and have a system to eliminate backlogs when they occur

3. Employee performance and supervision

- Hold regular department meetings
- Provide job descriptions for all positions
- Conduct performance evaluations at least annually for each employee

4. Website, social media, and newsletters

- Use disclaimer language when writing blogs, posting social media, or providing links to other sites
- Do not overstate your services in your advertising, such as providing "risk management"

5. Privacy and data protection

- The agency should have a privacy statement that should be given to new personal or individual customers. This can be included with a new business welcome letter.
- All employees should sign confidentiality statements
- Written standards should address the appropriate use of protected reports, such as MVRs and credit reports
- Email encryption should be available for employees to use in transmitting protected information

6. Agency acquisitions and due diligence

- If the agency is considering a merger or acquisition, an E&O audit of the target agency should be performed

7. Disaster recovery

- The agency should have a comprehensive disaster recovery plan that is updated regularly
- Consider offering employees the opportunity to receive CPR or first aid training

CERTIFICATES OF INSURANCE

(CONTINUED)

Here are some helpful guidelines for handling Certificates of Insurance:

- ➔ Follow agency procedures for handling Certificates of Insurance.
- ➔ Do not issue non-ACORD Certificates without the permission of the insurer.
- ➔ Advise the insured that only the State approved version of the ACORD form can be issued.
- ➔ Complex certificate requests should be reviewed by employees who have a broad understanding of the coverage issues involved.
- ➔ Use extra care when setting up the “master” Certificate.
- ➔ Stay within the authority allowed by your carrier.
- ➔ Do not alter the wording on the ACORD Certificate.
- ➔ Do not alter the cancellation clause in the ACORD Certificate.
- ➔ Document who requested the Certificate and what was requested.
- ➔ Always forward Certificate copies to the carrier regardless of their desire to receive them.
- ➔ If a policy is written through an Excess and Surplus Lines broker, always obtain permission from them before issuing any Certificates.
- ➔ If your customers are able to issue Certificates from your agency website, be sure that they are reviewed within one business day from issuance.
- ➔ When policies are canceled, send notice of cancellation to Certificate holders if you are obligated to do so.
- ➔ Provide the insured with a Certificate-holder’s list for review and update at each renewal.

IF ADDITIONAL INSURED STATUS REQUESTED ON THE CERTIFICATE

- ➔ “Blanket” additional insured endorsements should be reviewed to ensure that requested requirements are met. Attach a copy of the actual endorsement to the certificate and state *“Additional insured status is provided if in compliance with the requirements of the attached endorsement XX 00 1122.”*
- ➔ There are many situations where a “blanket” additional insured endorsement will not provide coverage. It is typically better to add the party to the policy as an additional insured, although it results in an additional premium.
- ➔ Never add an additional insured to the policy without consulting with the insured. The insured should be informed that limits will be shared with that party in the event of a loss.

LOSS PAYEES, OTHER PARTIES

There are multiple situations in which third parties seek coverage under the insured's policy. Familiarize yourself with each of the following interests so you can counsel your customer on how the policy will respond.

Named Insured	Any person, firm or organization, or any of its members specifically designated by name as an insured in a policy. Distinguished from others that, although unnamed, come under the definition of "insured."
Additional Named Insured	Sometimes requested by parties with whom the insured has contracted, but who really doesn't qualify to be a "named insured". Unless the party has a vested interest in the insured's business, this request is inappropriate. Instead, they should be named as an Additional Insured.
Additional Insured	An additional party insured under the policy at the request of the named insured. In liability insurance, AI status is commonly used in conjunction with an indemnity agreement between the named insured and that party. ISO alone has over 30 different Additional Insured forms, and carriers have their own proprietary forms as well. Using the wrong Additional Insured endorsement can increase E&O exposure.
Additional Interest	There is no legal definition for this term. It is sometimes requested by landlords to be named as an additional interest under the tenant's policy. It gives no rights or coverage and since not legally clarified, many carriers refuse to add a party as Additional Interest.
Loss Payee	A person or entity that is entitled to all or part of the insurance proceeds in connection with the covered property in which it has an insurable/financial interest.
Lenders Loss Payee	Gives a creditor of the insured the same rights and duties as that of a mortgagee in a situation where that party has loaned money in connection with the insured's personal property.



E&O EXPOSURES FOR PROPERTY RISKS

Consider these areas related to property coverage which may increase E&O exposure.

Property Values and Valuation

What does your agency do to ensure the property is insured adequately?

How do you verify the insured has agreed to the property value?

How do you verify the insured understood the valuation (ACV vs Replacement Cost vs Functional Replacement Cost)?

Ordinance or Law

Some policies include a small amount of Ordinance or Law coverage which may not meet your customer's needs. For example, the ISO Homeowner's forms provide 10% of the dwelling amount for Ordinance and law.

What does your agency do to assure higher limits are offered to each customer?

SECTION SUMMARY

Every agency employee, whether in sales or service, performs multiple tasks to place coverage, renew coverage, and provide service. Each time an account is touched it creates an opportunity to demonstrate your level of care and concern for that customer. At the same time, it also creates the potential for an E&O claim.

Having uniform procedures and following them consistently helps reduce that real threat. Understanding agency standards and applying them in every situation keeps employees focused on E&O loss control.



SECTION 5: CREATING AN INTERNAL LOSS CONTROL PROGRAM

During this section you will:

- learn the steps involved to create an internal E&O loss control program
- work with a team to create an action plan designed to implement an internal E&O loss control program

IDENTIFY AREAS TO ADDRESS

GATHER RESOURCES

- Notes and material from this class or other related classes you have attended
- Articles from industry periodicals which focus on agency operations
- Notes or training material from your agency management vendor or user groups
- Other independent sources of material available for purchase

CONDUCT AN INTERNAL E&O AUDIT

- Your E&O carrier may have a checklist or system for completing an audit. This will help you identify critical areas or processes which should be addressed.
- There are other audit checklists available for purchase.

CONSIDER AN AUDIT FROM AN EXTERNAL SOURCE

- Consultants are available to perform an audit in your agency. Although there is a cost involved, the cost could easily be outweighed by the benefit.
- An outside consultant can act as an extra set of eyes, seeing things that need to be addressed that you may not have considered.
- Some E&O carriers offer substantial premium credits on your E&O policy for having an outside audit performed. The agency is expected to address any critical recommendations in order to receive the credit.

*One trouble with Americans is that
we're fixers rather than preventers.*

Gen. Jimmy Doolittle

LAYING THE GROUNDWORK

ASSIGN TEAMS AND RESPONSIBILITIES

- Create specific teams for each department. If procedures are “general” and apply to all departments, be sure to have representation from each department.
- Teams of 3-6 people are ideal, depending on agency size. More than that makes it difficult to get agreement. In smaller agencies, the team may be the agency principal and the one or two people who perform that area of work. In larger agencies, consider rotating team members to work on different parts of the project, to allow all to participate.
- Although the teams should be comprised primarily of service staff (CSRs, Account Managers), consider including a producer on the team to represent the sales aspect.
- If the agency has more than one office location, try to include representation from each office. It is easier to introduce new procedures if employees have been included in part of the decision-making process.



CREATE A TIMELINE

- Spread the work over time – complete in steps.
- Limit meetings to once or twice a week, 2-3 hours maximum (If team members are traveling from other offices, you may want to maximize their time and hold half-day or full-day meetings).
- Some topics can be resolved in one or two meetings, others are more complex and can take more time to complete.
- Develop an action plan to track responsibilities and target dates for completion.



*Plans are nothing;
planning is everything.*

Dwight D. Eisenhower

CRITICAL STEP IN THE PROCESS - COMMUNICATION

Changing the way an agency approaches their E&O exposure may involve a culture shift. Cultures don't change overnight. To create real change, everyone needs to get on board and feel invested in what is about to happen. That is why communication is such a critical piece.

Announce the meeting: Require that all employees attend this important meeting. Publicize the date far enough in advance so that everyone can keep the time available. The agenda should be understood – “*The agency is working to establish an internal E&O loss control program. This meeting is to explain the need, discuss the process and assign responsibilities.*” If the agency has multiple locations, the meeting can be held at each location. If the agency is larger, department meetings may be more appropriate.

Explain the need: At the meeting, explain the background that led to this decision. If you have conducted an internal audit or had an outside auditor come in, share the results of that audit. Point out areas of inconsistency or areas identified that fail to meet agency standards. Do not point out blame. In many cases, management may not have been clear in identifying specific standards or procedures. Explain that this ambiguity will not be the case in the future. If the agency has been involved with some E&O claim experiences, you can refer to those as a learning experience.

Identify Team Assignments: Management should clearly communicate this is not a “top-down” initiative and input from employees is important. That is why the teams will be comprised of people who do the work. Identify the initial team assignments and explain others may be drawn into the team as the project evolves. The teams will be working on either developing new procedures or updating current procedures. Each workflow will be scrutinized with E&O safeguards and agency standards added as needed.

Explain the Quality Control program: Once the standards and procedures are completed, management will initiate a quality control program to assure agency standards continue to be met and procedures are always followed.

Communicate the goals to:

- make everyone's job easier, not harder
- eliminate redundancies
- streamline workflows
- give the customer a better experience
- minimize E&O exposure or better defend E&O allegations



KEEPING THE PROJECT ON TRACK

Monitor and Create Synergy

- Engage with teams, ensure that they are on track, offer encouragement
- Create enthusiasm – post the progress of teams, hold small celebrations
- Help employees feel empowered

Give some examples of things management could do to promote enthusiasm and reward progress:

Keep Communicating

- Continue to meet at least monthly during this process.
- As new procedures are developed, introduce them at meetings. Meetings could take place for specific departments.
- Since processes in the agency are constantly evolving and changing, make an effort to discuss and keep them up to date.
- Use E&O claim stories at meetings as a basis for discussion.
- Support a culture that discusses E&O and keeps loss control fresh in everyone's minds.



GROUP EXERCISE: AN E&O LOSS CONTROL PROGRAM FOR DYNAMIC AGENCY, INC.

NARRATIVE:

Dynamic is a fast-growing agency with two office locations. Their book of business is split evenly between Commercial and Personal Lines. Most of the commercial business is small to mid-sized accounts. Between the two offices they have 26 employees. The agency principals recognize the need to reduce their E&O exposure in the agency.

The goal of the exercise is to outline an action plan to help Dynamic create an internal loss control program.

➔ FIRST –

In your groups, decide if you will make an action plan for Personal or Commercial Lines

➔ NEXT –

Decide the role each person will play. In each group you will need:

- An agency principal
- A CSR or Account Manager
- A producer
- The 4th or 5th person can play the role of a department manager, marketing (placement) person, or additional producer or CSR

➔ COMPLETE THE CHECKLIST –

The checklist on page 51 will help you work through each area that must be addressed.

➔ COMPLETE THE ACTION PLAN –

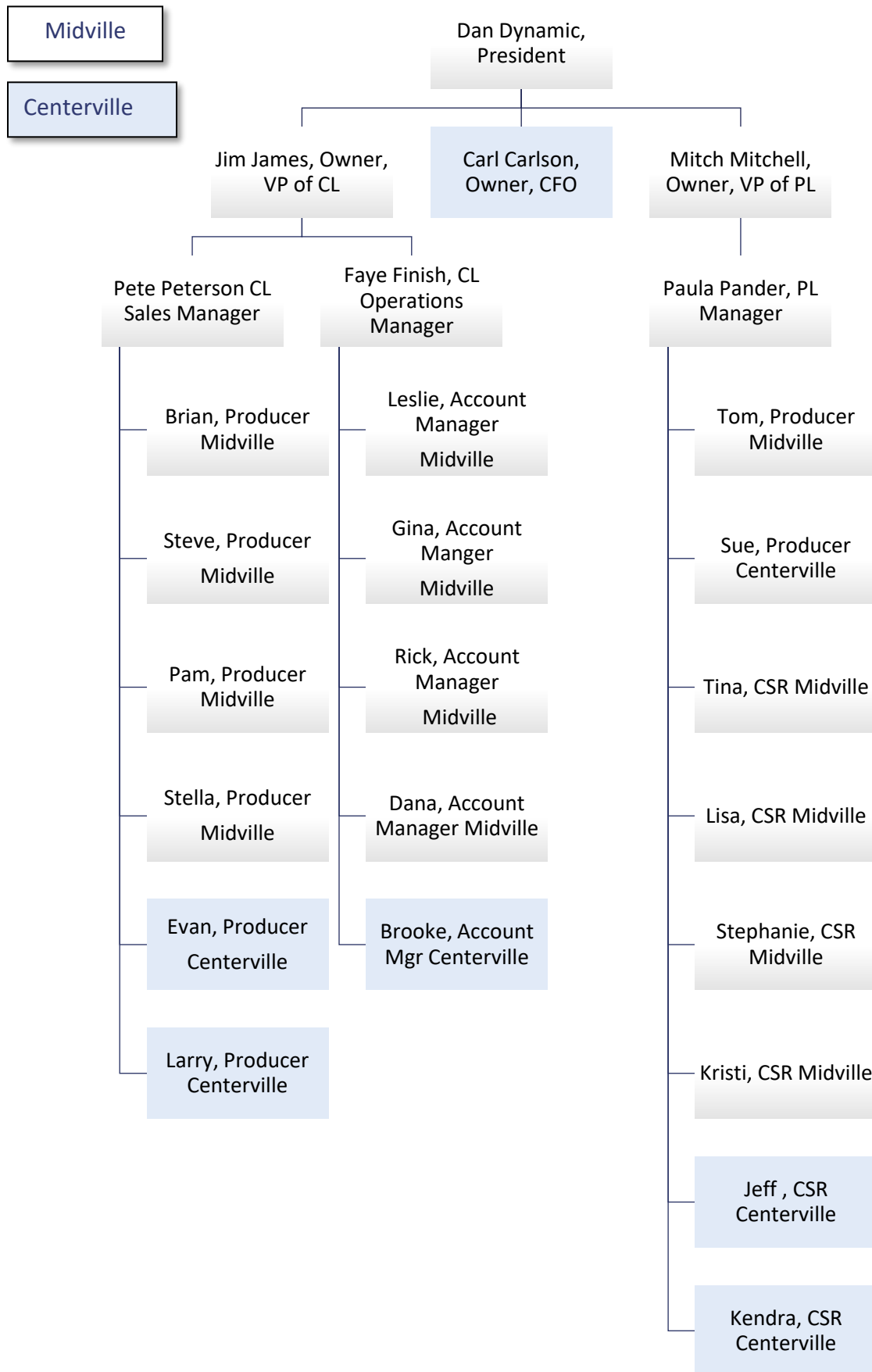
Assign responsibilities and deadlines using the names of employees from the Organization Chart provided on page 52 and reasonable timeframes using today as your starting point.



CHECKLIST – BEGIN E&O LOSS CONTROL PROGRAM

✓	Task	Responsible Party
	Identify areas that need to be addressed in PL <ul style="list-style-type: none"> • Run reports • Examine workloads • Review existing procedures 	
	Identify areas that need to be addressed in CL <ul style="list-style-type: none"> • Run reports • Examine workloads • Review existing procedures 	
	Conduct an internal E&O audit.....or	
	Hire a consultant to perform an E&O audit	
	Gather information from outside sources	
	Assign teams in PL to work on procedures	
	Assign teams in CL to work on procedures	
	Create an Action Plan	
	Notify employees about mandatory meeting	
	Lead/conduct the E&O meeting	
	Check progress of PL teams	
	Check progress of CL teams	
	Plan an incentive event and manage the event	
	Schedule and conduct monthly meetings	
	Plan a celebration event when all procedures are up to date	
	Schedule annual update meetings for PL	
	Schedule annual update meetings for CL	
	Once procedures have been completed, create a Quality Control program to ensure compliance.	

ORGANIZATIONAL CHART FOR DYNAMIC AGENCY, INC.



ACTION PLAN FOR DEPARTMENT PROCEDURES

Department _____

Develop/Update Standards and Procedures	Team Members	Target Date
New Business		
Renewals/ Rewrites		
Policy Changes / Endorsements		
Cancellations		
Claims		
Certificate of Insurance		
Remaining Procedures (Audits, Proposals, etc. as needed)		

ACTION PLAN FOR GENERAL AGENCY PROCEDURES

Develop/Update Standards and Procedures	Team Members	Target Date
Documentation		
Document management		
Telephone, Voice Mail, Faxes, Texts		
Email		
Suspense/ Follow-ups		
Documents and Commonly Used Forms		
Expirations		
Claims		
Excess/ Surplus Lines and Residual Markets		

SECTION SUMMARY

Every trip has a destination and a starting point. Regardless of how you reach your destination (walk, bicycle, drive), you still need to decide which road to take. In this section, we learned how to turn on our GPS and set the destination.

The destination is to have fully engaged staff members who actively work to minimize E&O exposure in the agency. By creating an internal loss control program, you are raising the sensitivity level of every employee. This not only helps minimize your exposure, but having clear, streamlined processes better serves your customer. You can rest assured that these are steps toward creating excellence in your organization.



SECTION 6: E&O LOSS REPORTING


During this section you will:


- examine options to report incidents to agency management
- review the steps to take when an E&O claim occurs
- learn the importance of full disclosure on the agency's E&O application

PREPARE IN ADVANCE

- ☐ Furnish employees with E&O guidelines which can also be included in your agency's Standards and Procedures.
- ☐ Have an "open door" policy for employees to report claims without fear of reprisal or judgment.
- ☐ Assign responsibility to one person in the agency to handle incidents that could give rise to a claim.
- ☐ In larger organizations consider using an E&O incident report form to alert management of possible situations.
- ☐ Provide employees with a "no known losses" statement to sign annually stating that they are not aware of any incident that has not already been reported.
 - It is suggested that this be done at the time the E&O renewal application is being completed.

Examples of potential incidents:

 An angry or accusatory customer, especially one who is angry due to an uncovered claim

 A threatening customer, especially one who says "I'm going to sue you"

 A large, uncovered claim

 A large claim in which policy limits may be exceeded



List the name(s) of the person(s) in your agency to whom you would go first to report a potential incident.



WHEN AN E&O CLAIM OCCURS

Steps to take when a claim or incident occurs in the agency.

1. **Assign responsibility** – As soon as you become aware of an incident or claim, assign a coordinator to act as the point person on everything related to the claim. Do not admit liability to any party.
2. **Gather information** – Meet with relevant employees to determine if anyone has additional information. Caution employees to not discuss with anyone outside the office and to refer all inquiries to the assigned E&O coordinator.
3. **Notify your E&O carrier** – Contact your carrier as soon as possible. Even if you think an incident may not give rise to a claim, your carrier's advice could be invaluable.
4. **Collect and organize complete file information** – Your carrier will want to see a complete record of your insured's file. If your records are electronic, you may be asked to reproduce them in paper. Be sure to include activity reports from your agency management system and any other form of documentation related to that customer.
5. **Create a chronology of events** – List every contact, activity, correspondence, conversation, etc. in date order in a narrative. This will help your E&O carrier understand how the incident unfolded.
6. **Forward additional information as received** – Immediately forward any summons, suit papers, letters, emails, or documents related to the incident to your carrier or the attorney assigned by them.
7. **Fully cooperate** – Your carrier and the attorney assigned to your case may need to meet with you and guide you through the legal aspects of the claim. Heed their advice and be open with them.

E&O LOSS PREVENTION TIP

Occasionally agents are asked to give statements or depositions related to cases or claims in which they do not appear to be involved. For example, your carrier may be being sued by your insured for denying a claim under a policy you had written. It may seem innocent enough for you to provide testimony since you are not named in the lawsuit. **DO NOT DO IT WITHOUT REPRESENTATION.** Report the situation to your E&O carrier and they will provide an attorney to counsel you and be with you through any legal testimony.

WHAT TO EXPECT IF YOU HAVE AN E&O CLAIM

PAPERWORK – Answering interrogatories, furnishing documents, reading summons and complaints



LOST TIME – Putting files together, meeting with attorneys, giving depositions, answering interrogatories, furnishing documents, reading summons and complaints, going to trial or participating in arbitration or settlement conferences



STRESS – All this can put a lot of stress (mental and physical) on a person. Keep a positive attitude. Trust in the E&O carrier's claim team to handle the claim appropriately.



AFTER THE DUST SETTLES

Once the claim is resolved, where do you go now?

1. Once the claim has been settled or dismissed, try to take a step back and analyze all the contributing factors.
2. Are there processes you need to change or new agency standards that need implementing which you may not have considered before this?
3. Revise your written Standards and Procedures to accommodate any changes which will help avoid similar situations in the future.
4. Train all employees on the new procedures and explain the reason for their implementation.
5. Use caution when completing your E&O application or renewal application each year. Be sure to include any incident that may give rise to a claim. Failure to do so could result in an uncovered claim later. To be on the safe side, ask employees to sign a “no known loss” statement verifying that they are not aware of any incident that has not already been reported to management.
6. Consider performing a self-audit to determine if there are other areas in the agency that need attention. Your E&O carrier may have checklists or other tools to aid in an audit. Or consider having an outside audit performed. Sometimes a set of outside eyes can uncover exposures that you may overlook.

An ounce of prevention is worth a pound of cure!

SECTION SUMMARY

In spite of knowledgeable and conscientious employees who consistently follow procedures, agencies are still sued for E&O claims. Now it is time to see if all your preparation and precautions have worked. This is when quality documentation can become the “star of the show.”

The best course of action is to notify your E&O carrier immediately, even if you are not being sued. It is better that they have a heads-up on any incident. Many claims are resolved before any legal action takes place. Trust your E&O carrier to keep your best interest at heart.



E&O LOSS CONTROL RESOURCES

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*For more information and schedule of CPIA Seminars,
visit www.cpia.com.*

CHECKLIST – E&O LOSS CONTROL PROGRAM

✓	Task	Responsible Party
	Identify areas that need to be addressed in PL <ul style="list-style-type: none"> • Run reports • Examine workloads • Review existing procedures 	
	Identify areas that need to be addressed in CL <ul style="list-style-type: none"> • Run reports • Examine workloads • Review existing procedures 	
	Conduct an internal E&O audit.....or	
	Hire a consultant to perform an E&O audit	
	Gather information from outside sources	
	Assign teams in PL to work on procedures	
	Assign teams in CL to work on procedures	
	Create an Action plan	
	Notify employees about mandatory meeting	
	Lead/conduct the E&O meeting	
	Check progress of PL teams	
	Check progress of CL teams	
	Plan an incentive event and manage the event	
	Schedule and conduct monthly meetings	
	Plan a celebration event when all procedures are up to date	
	Schedule annual update meetings for PL	
	Schedule annual update meetings for CL	
	Once procedures have been completed, create a Quality Control program to ensure compliance.	

ACTION PLAN FOR DEPARTMENT PROCEDURES

Department _____

Develop/Update Standards and Procedures	Team Members	Target Date
New Business		
Renewals/ Rewrites		
Policy Changes / Endorsements		
Cancellations		
Claims		
Certificate of Insurance		
Remaining Procedures (Audits, Proposals, etc. as needed)		

ACTION PLAN FOR GENERAL AGENCY PROCEDURES

Develop/Update Standards and Procedures	Team Members	Target Date
Documentation		
Document management		
Telephone, Voice Mail, Faxes, Texts		
Email		
Suspense/ Follow-ups		
Documents and Commonly Used Forms		
Expirations		
Claims		
Excess/ Surplus Lines and Residual Markets		

Errors and Omissions Guidelines

The agency and employees can be held responsible for errors that occur in the servicing of customers and prospects. Errors and Omissions (also called “E&O”) can occur because an agency employee made a mistake. However, sometimes an agency can be sued even if no mistakes were made but the agency cannot prove their innocence because of inadequate documentation or incomplete or missing records.

All agency staff members are responsible for reducing potential E&O claims. Read and understand the requirements listed below and use them as a guideline for E&O prevention. See your supervisor if there is any area listed below which you do not completely understand.

1.	Always maintain a professional demeanor with customers and prospects. Refer customers to someone else in the office if their questions exceed your knowledge.
2.	Never hesitate to ask someone else for assistance in areas where you are not comfortable. Never give an insured or prospect information that you are not completely sure is accurate.
3.	When taking changes from parties other than the insured (such as: dealerships, jewelry stores, secretaries/assistants, other family members, parents of an adult insured, or children of an elderly insured) always confirm the change with the insured before reducing any coverage. Be careful in divorce or separation situations, not to remove coverage for any spouse without their consent.
4.	Always repeat your understanding back to the insured. Make sure clear communication takes place before any change is made in coverage.
5.	Obtain a written rejection when recommended coverage is removed from a policy.
6.	Document every conversation that takes place with an insured or regarding a particular insured. Document in Activities any time an insured is in the office.
7.	Always use exposure or coverage checklists to gather information for new accounts.
8.	Complete applications and other forms thoroughly. Make sure the applicant understands that all questions must be answered. Never allow another party to sign a form or application on behalf of the applicant. Never enter information on an application if you are not sure it is true.
9.	Promptly forward applications, change requests, or any other relevant coverage information to the carrier or process through their online system. Expedite the handling of audits, claims and certificate of insurance requests.
10.	Make sure you understand all company eligibility and processing guidelines and follow them at all times.
11.	Never bind coverage if you are not sure you have authority to do so. Never backdate coverage without confirmation from the carrier you may do so.
12.	Never confirm or deny a claim to an insured unless it is a simple, straightforward minor claim, such as a broken windshield.
13.	Keep suspense for reasonable time lengths and always follow up on open suspense in a timely manner.
14.	Carefully review all new business, renewals, and endorsements. Make sure requested coverage is included and that no needed coverage has been omitted. Use policy checking checklists whenever possible.
15.	Promptly notify your supervisor if any incident takes place that might give rise to an E&O claim or one which causes an insured to become upset or accusatory.
16.	Keep your desk organized and professional looking. Notify your supervisor if any conditions exist which prevent you from completing your work in a timely and accurate manner.

In the event of an E&O situation, contact your supervisor or Name of E&O contact

Please Note: This is only a suggested form and should be further evaluated and customized to fit your needs.

STATEMENT OF NO KNOWN E&O LOSSES

As an employee of *[Agency Full Name]*, I do hereby state that as of this date, I am not aware of any potential Errors and Omissions incidents or losses that have not been reported to *[Agency Name's]* management team.

Employee Signature

Date

AGENCY E&O INCIDENT PROCEDURES

An E&O claim can arise from a variety of sources. Perhaps you notice something was handled inappropriately which could lead to an E&O claim. Sometimes the insured is upset because a claim they have is not covered and they feel it should be. Customers or others can become upset or accusatory for any number of other reasons. Regardless of the reason, management should be informed of these events. Not every upset customer or uncovered claim will lead to an E&O situation, but management needs a “heads up” on these incidents so potential problems can be handled appropriately. The following are guidelines which all employees should follow in these situations.

1. If the insured or other party is upset or making accusations, do not argue or become overly defensive. If you think you or another employee in the agency has made an error, explain that you will look into the matter and get back to the insured or other party. Do not admit guilt and make no promises of coverage or restitution.
2. Document the incident (or conversation). Make sure that documentation is clear and detailed.
3. Complete the **E&O Incident Report** and submit to management. This should be done the same day you become aware of a problem.
4. Assist management by providing documentation, if requested.
5. Do not speak with other employees in the office about the incident unless they were directly involved. If others (adjusters, attorneys, other third parties) contact you related to the situation, refer them to the designated management contact person. Do not discuss the situation outside the office.

E&O INCIDENT REPORT

Name of the Insured (Client or party involved)	
Claimant Name (if other than the Insured)	
Type of policy or coverage involved	
Date of loss (if this involves a claim being made under the insured's policy, date of insureds' loss)	
Date of complaint (or date you first became aware there was a problem)	
Description of situation	
List the names of other agency employees who have been involved	
Explain what was told to the insured or party making the complaint	
Employee Signature	
Supervisor Signature	
Date	

MANAGEMENT E&O COMPLIANCE CHECKLIST

The following checklist is to be used as a guideline for handling all potential E&O incidents.

1. As soon as management becomes aware of an E&O situation, have the involved employee complete the **E&O Incident Report** and remind the employee to comply with the **Agency E&O Procedures**. If the employee is unable to complete the report, it should be done by their immediate supervisor.
2. Check the documentation. Make sure the agency management system shows clear documentation from the beginning of the event until present. If documentation is not clear or missing, ask the employee to document as soon as possible. If documenting past events, indicate in the current activity what transpired on that previous date.
3. Determine if management intervention is needed. If so, appoint a management representative to act as the point person with the insured or party who has made a complaint. All phone calls, email, mail, and other contacts related to this event should be channeled through this person.
4. Determine if this is truly an E&O incident. If so, place the E&O carrier on notice. This should be done by the appointed management representative. Complete the notice of claim to the carrier. Include copies of all related documents. Compile a narrative explanation of the incident. Include a chronology of events. This is a summary of everything that happened, including every related conversation, in date order. If it takes a while to compile this documentation, report the incident to the carrier and indicate that the related documentation will follow.
5. Hold a meeting of the agency employees who were involved or who had knowledge that would be helpful in this claim. Make sure all information has been disclosed. Charge the employees not to speak to anyone else regarding the claim.
6. Work closely with the claim adjuster or counsel appointed by your E&O carrier. Do whatever is necessary to help resolve the claim.
7. When the claim has been closed, do a complete analysis of what transpired. Try not to be defensive but determine what could have been done differently to prevent the claim. What could have helped you be in a better position to defend the claim? Is there a procedure that should be implemented or changed? Was there a procedure that wasn't followed? Take management steps to address these inadequacies, if any.

CPIA Designation

GENERAL INFORMATION

CPIA PROGRAM OFFICE:
PO Box 35718
Richmond, VA 23235
877-674-CPIA (2742)
www.cpia.com



THE CERTIFIED PROFESSIONAL INSURANCE AGENT (CPIA) DESIGNATION

The Certified Professional Insurance Agent (CPIA) Designation is first-of-its-kind, hands-on, how-to training. To earn the CPIA designation, candidates are required to participate in a series of three, one-day Seminars. These Seminars are designed to enhance the ability of producers, sales support staff, and company personnel to efficiently create and distribute effective insurance programs. Participants leave with ideas that will produce sales results immediately.



The *three* core CPIA Seminars are entitled:

- Position for Success (CPIA 1)
- Implement for Success (CPIA 2)
- Sustain Success (CPIA 3)

Concentrated, single-topic seminars are also available. A sampling of topics include:

- Disaster and Continuity Planning for Businesses and Families
- An Agent's Guide to Understanding and Mitigating Cyber Exposures
- An E & O Loss Control Program for All Agencies

Seminars are offered in-person and online in both English and Spanish. Seminars qualify for CE credit in most states. For more details and the complete schedule of course offerings, visit www.cpia.com.

NOTIFICATION OF COMPLETION OF THE DESIGNATION REQUIREMENTS

Upon completion of the three core CPIA Seminars, the CPIA Program Administrator will notify new designees. Designees will receive confirmation of completion along with guidance for using the CPIA logo, a sample press release, a diploma order form, and more. Diplomas are prepared and shipped to new designees on a quarterly basis.

CPIA DESIGNATION UPDATE REQUIREMENT

The Certified Professional Insurance Agent (CPIA) designation stands for professionalism, commitment to professional training and results, and technical knowledge. To maintain the right to use the CPIA designation, designees must update on an annual basis. Reminders are emailed by the CPIA Program Administrator.

The CPIA update requirement can be satisfied by:

- participating in any one of the three core CPIA Seminars,
- participating in any one of the special topic (Advanced) CPIA Seminars, or
- maintaining a CPIA Program Membership annually at the Ruby, Sapphire, or Diamond level.

PIA AND THE CPIA PROGRAM

In late 2022, the National Association of Professional Insurance Agents (PIA) and the American Insurance Marketing and Sales Society (AIMS Society, original creators of the CPIA designation program) decided to consolidate to better serve the educational needs of independent agents and the entire insurance industry. The coming together of these two powerhouse organizations, each with a long history of providing excellent education programming, will benefit both independent agents and the insurance industry as a whole. Through a Professional Development Advisory Council, PIA will build upon the CPIA designation program framework and continue to champion and accelerate marketing and sales development for insurance professionals. Visit www.cpia.com for more details and a complete schedule of upcoming classes.

CPIA PROGRAM MEMBERSHIP

Accelerate Professionalism and Sales Excellence



For insurance professionals who seek to keep marketing and sales skill building top of mind, the CPIA Program Membership offers innovative, practical, actionable solutions. Unlike insurance coverage education providers, we're solely focused on growing revenue and customer relationships.

CPIA Program Membership is structured to build strong marketing and sales skills among insurance agency producers, support staff, and insurance company personnel. CPIA Program membership also means access to a nationwide network of professionals who are focused on increasing personal and agency production.

A variety of member benefits packages are available to best suit your / your organization's needs:

RUBY MEMBERSHIP - \$199 per person, annually - Insurance professionals who join the CPIA Program as at the "**Ruby**" level will receive the following:

- Satisfies CPIA Designation Annual Update - This level of membership satisfies the annual update requirement for keeping your CPIA designation.
- Online Membership Networking Directory - Access to member-only resources, including a directory of other members searchable by a variety of criteria.
- Online Member Community - Engage with other members and share best practices, industry news, advocacy efforts, and professional resources.
- Professional Development Insights - Email communiques with sales tips, management advice, and marketing resources. Publications include: *Quik Sales Tips* (12/year) *Marketing Muscle* (6/year); and *Bright Ideas* (6/year).
- Education Program Discounts - Enjoy discounts on select CPIA seminars.

SAPPHIRE MEMBERSHIP - \$499 per person annually - The CPIA Program "**Sapphire**" level provides all the benefits of **RUBY MEMBERSHIP**, plus:

- RoughNotes-Pro – Enjoy access for **one producer** to: PF&M; Coverages Applicable; PL & CL Risk Evaluation Systems, which include comprehensive coverage checklists and questionnaires; Insurance Marketplace; and *InAction* newsletter and *Rough Notes* Magazine.

DIAMOND MEMBERSHIP - \$750+* annually - The CPIA Program "**Diamond**" level provides all the benefits of **RUBY MEMBERSHIP**, plus:

- RoughNotes Advantage-Plus - Enjoy **group** access to: PF&M; Coverages Applicable; PL & CL Risk Evaluation Systems; *How to Insure* training classes; *Insurance Words and their Meaning*; Business Building Letters; Blog Content and Digital Media Content; Insurance Marketplace; and *InAction* newsletter and *Rough Notes* Magazine.

*Diamond Membership pricing is based on number of employees

ROUGHNOTES-PRO



INCLUDES

Policy Forms & Manual Analysis (PF&M)

An essential go-to guide to strengthen your property & casualty expertise on commercial, personal and specialty lines coverages and concepts. Demonstrate your insight to enhance your competency. Use real court case decisions when presenting coverage concerns to new prospects and current clients.

Coverages Applicable

Learn appropriate coverages quickly and gain traction to remain competitive.

Personal Lines Risk Evaluation System

A comprehensive checklist of personal lines risk exposures.

Commercial Lines Risk Evaluation System

A comprehensive checklist for more than 723 classes of business.

In Action

A monthly newsletter that will show you ways to turn coverage knowledge into powerful sales opportunities.

Rough Notes magazine

The industry's leading insurance agent publication.

The Insurance Marketplace

Agency professional's number one source to find hard-to-find coverages.

Property and Casualty Insurance By Philip Gordis

An easy -to-use, quick – reference guide to property and casualty insurance coverages. The indexing and examples put the answers to your basic coverage questions at your fingertips.

ROUGHNOTES ADVANTAGE-PLUS

A \$900 retail value, RoughNotes Advantage-Plus is included in CPIA Program Diamond Membership. For details visit www.cpia.com or call 877-674-CPIA (2742).

INCLUDES:

Policy Forms & Manual Analysis (PF&M)

An essential go-to guide to strengthening your property & casualty expertise on commercial, personal, and specialty lines coverages and concepts. Demonstrate your insight to enhance your competency. Use real court case decisions when presenting coverage concerns to new prospects and current clients.

Coverages Applicable

Learn appropriate coverages quickly and gain traction to remain competitive. Explore the insurance needs of more than 700 different kinds of risks with SIC and NAICS codes.

Personal Lines/Commercial Lines Risk Evaluation Systems

A comprehensive checklist of personal lines risk exposures and checklists for more than 723 classes of business.

How to Insure Training Courses

Educational tutorials that close the “insurance knowledge gap.”

Insurance Words and Their Meanings

A guide to insurance terminology for you, your staff, and your clients.

Business Building Letters

Hundreds of business support templates used for sales, and renewals and to run an efficient business.

Blogs

Over 300 short articles that agencies can use to blog, email, or display on their websites to enhance sales pipelines.

Digital Media

Animated videos used to book new clients and increase client retention.

In Action

A monthly newsletter of how you can turn coverage knowledge into powerful sales opportunities.

Rough Notes magazine

The industry’s leading insurance agent publication.

The Insurance Marketplace

Agency professional’s number one source to find hard-to-find coverages.



CPIA PROGRAM MEMBERSHIP APPLICATION

Accelerate Professionalism and Sales Excellence

JOIN TODAY!

To join online, visit www.cpia.com and select "Join Now." Alternatively, complete the following and return it to the CPIA Program Office, c/o AIMS Society, PO Box 35718, Richmond, VA 23235 with your membership dues.



Name (First, MI, Last)		Designations
Company Name		
Mailing Address		City/State/Zip
()		
Business Phone #		
Email Address		Website

MEMBERSHIP SELECTIONS:

		TOTAL
<input type="checkbox"/> Ruby membership.....	\$199	\$
<input type="checkbox"/> Sapphire membership.....	\$499	\$
<u>Diamond membership</u>		
<input type="checkbox"/> 1-4 producers.....	\$750	\$
<input type="checkbox"/> 5+ producers.....	Call for pricing	\$
<i>Select additional CPIA Designee logo items:</i>		
<input type="checkbox"/> CPIA Wall Plaque.....	\$60 + shipping	\$
<input type="checkbox"/> CPIA logo pin (Gold color with CPIA logo).....	\$25 + shipping	\$
TOTAL AMOUNT DUE		\$

PAYMENT INFORMATION:

- ☐ Enclosed please find my check made payable to the "AIMS Society."
- ☐ Please charge my credit card: ☐ Master Card ☐ VISA ☐ AMEX

Name as it appears on card: _____

Credit Card #:	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>																
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Cardholder's Signature: _____ Date: _____

**CPIA SEMINAR ENROLLMENT /
CHANGE OF INFORMATION FORM**
(Please Print)



Check the appropriate boxes: (*select one*)

- ☐ I am a new student and I plan to pursue the CPIA designation
- ☐ I have attended a CPIA Seminar previously – no changes to report
- ☐ I have attended a CPIA Seminar previously but need to update my information
(*complete the information to be updated in the appropriate sections below*)
- ☐ I am attending to satisfy the annual update requirement to maintain my CPIA designation

FULL NAME (First, MI, Last)

INDUSTRY DESIGNATIONS

AGENCY/COMPANY NAME

BUSINESS PHONE

EMAIL

BUSINESS MAILING ADDRESS

CITY

STATE

ZIP

HOME ADDRESS

CITY

STATE

ZIP

AGENCY PRINCIPAL/MANAGER

AGENCY PRINCIPAL/MANAGER EMAIL

AGENCY/COMPANY FACEBOOK PAGE

AGENCY/COMPANY LINKEDIN PAGE

AGENCY/COMPANY TWITTER HANDLE

SIGNATURE



Insurance Success Seminars CONTINUING EDUCATION REQUEST FORM



“An E&O Loss Control Program for All Agencies” is approved for continuing education credit in some states which have a Continuing Education Requirement. Listed below are the states where approval has been granted to-date and the corresponding number of credit hours granted. To receive Continuing Education Credit for this class, complete this form and submit fees as indicated. Return this form to the program coordinator **before the end of the class**. One-hundred percent attendance is required for receipt of continuing education credit.

PLEASE CHECK THE STATE where you hold a resident agent license and for which you would like to receive CE credit. Write in your license number and/or NPN as indicated below. **PLEASE NOTE: A \$25 fee (payable to the AIMS Society), the state filing fee (if applicable) and your state filing penalty (if applicable) will be charged for CE requests that are not submitted on the day of the class or if the information required on this form is not complete.**

IF YOU DO NOT REQUIRE CE FOR THIS CLASS, CHECK THIS BOX, SIGN AND RETURN THIS FORM ☐ I DO NOT REQUIRE CE

- | | |
|---|--|
| <input type="checkbox"/> California 7 hrs. | <input type="checkbox"/> North Carolina..... 6 hrs. |
| <input type="checkbox"/> District of Columbia..... 7 hrs. | <input type="checkbox"/> Virginia (attach \$20.80 filing fee) (8 general) 7 hrs. |
| <input type="checkbox"/> Florida..... 7 hrs. | |

Course Date

Course Location

Full name as it appears on your license

License Number and / or NPN Number

Business Mailing Address

City/State/Zip

Home Mailing Address

City/State/Zip

()
Business Telephone #

Email Address

CPIA Program Office
P.O. Box 35718
Richmond, VA 23235
(804) 674-6466

I hereby attest to the fact that I have attended the above program in its entirety and signed the attendance verification forms which were circulated during the program.

Signature