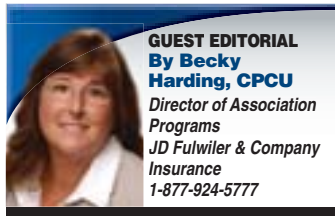


# Why You Should Embrace Your Insurance Renewal



**GUEST EDITORIAL**  
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As an insurance agent, I am acutely aware of how you feel about getting that phone call from your agent, saying, "It's time to discuss your upcoming insurance policy renewal." It's a pain...it's time-consuming...it's tedious. But, I challenge you to rethink it — or, dare I say, even welcome it! Remember, insurance isn't just a necessary evil. It protects everything you have and

everything you've worked for. It's worth your time to be an active participant in the process. Besides, there are many benefits to you as the insurance consumer that result from a thorough renewal review process with your insurance professional, such as:

- Saving money
- Filling coverage "gaps"
- Gaining a better understanding of how your insurance dollar is spent
- Identifying otherwise overlooked exposures (risk assessment)

### Saving Money

There are many ways saving money can be achieved

through the renewal review process. Quite often, when your operations are not reviewed for several years, you may find coverages that you no longer need or operations you are insuring that have been discontinued. For example, you may be an upfitter who no longer maintains a dealers' license, so there is no longer a need for vehicle inventory or dealers' liability coverage. Another example would be major safety changes that could result in more attractive property premiums. Maybe you installed an alarm system or a sprinkler system or replaced old electrical systems.

These are all items that your agent would discover during the review process and could bring to the underwriter's attention at renewal to explore possible savings.

### Filling Coverage Gaps

Coverage gaps can be as uncomplicated as discovering that a new vehicle was purchased during the year and the agent wasn't informed. They can also be as complicated as discovering that you have a Board of Directors making important decisions on behalf of your company, but you don't have Directors & Officers (D&O) Liability insurance. In the first example, an uninsured accident can be devastating to a small company. Depending on how your policy is written, there may be no coverage at all for a vehicle that isn't listed on the policy. This is the kind of information you can uncover during the renewal review. In the latter example, you likely aren't even aware that you have an exposure for D&O liability. However, D&O losses can be the largest of litigated claims, ranging from \$150,000 to more than \$1,000,000.

### Understanding How Your Insurance Dollar is Spent

The better you understand from where your premium is derived, the better you can control this cost. For example, if you know your General Liability policy includes several classifications which describe your various operations (upfitting, repair, parts and sales, etc.), and you know that each of those classifications is assigned a rate per \$1,000 of estimated sales, you and your agent can appropriately classify your revenues. If you are not aware of this advantage, underwriters will generally lump all of your sales into one classification. Thoroughly reviewing your operations and listing them accurately for the underwriter can ultimately save much angst during an audit and could potentially prevent you from being double-charged.

### Identifying Overlooked Exposures (Risk Assessment)

Exposures can be recognized in many forms — from

an insurance company inspection to an old-fashioned conversation with your insurance agent. An insurance inspection is very detailed and can help you identify areas within your operations that could potentially lead to a claim. Many times, the insurance company offers recommendations that are easy to implement, such as having your fire extinguishers serviced, fixing an eye-wash station that isn't working and clearly marking parts of your shop that are prohibited to the public. Avoiding these seemingly small adjustments can lead to hefty losses, so taking care of them is less of a headache than the alternative.

In my opinion, a candid conversation with your agent about your current and discontinued operations and your plans for the future is paramount. Your insurance professional may have suggestions that you wouldn't have considered. What if you're sued by an ex-employee for unlawful termination, for example, and you call your agent, who replies, "There is insurance for that, but you don't have it"? This possible scenario is precisely the reason for risk assessment.

Although you may dread your policy renewal each year, perhaps this is a good time to change the way you think about it. Use the renewal as an opportunity to understand what you are and are not insuring, assess your true exposures and determine how you can participate in managing those risks.

The renewal review is ultimately for YOU. After all, you're protecting your policy, your premium dollars and, most importantly, your livelihood.

### Want to Learn More?

I will be conducting a complimentary webinar for NTEA members on Thursday, Sept. 25 from 11:15AM-12:00PM EST. Not only will you gain more details on the benefits that can result from a thorough insurance renewal review process, you will also have the ability to submit questions and get live answers. To learn more or register for Risk Mitigation: Make Your Insurance Renewal Process Work for You, visit [www.ntea.com/webinars](http://www.ntea.com/webinars). ❖



## INSURANCE PROGRAM

ENDORSED BY: **NTEA**  
THE ASSOCIATION FOR THE WORK TRUCK INDUSTRY

The NTEA, in partnership with JD Fulwiler & Company Insurance, offers the **Protection Plus Program** specifically designed for the work truck industry to provide consistent underwriting.

### Coverage options:

- Property
- General Liability
- Product Liability
- Workers Compensation
- Crime/ERISA
- Umbrella Excess
- Dealers Open Lot
- Garage Liability
- Garage Keepers
- Personal (home, auto, etc)
- Employee Benefits
- Employment Practices Liability



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