

HOW TO GET TO THE TOP OF THE PILE

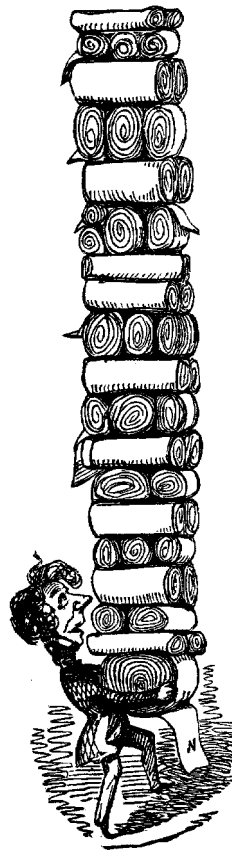
IT'S OUR DAILY CHALLENGE to provide timely response to our producers. A simple way that you can help us to do that is by providing fully completed applications. Frankly, we just can't afford the time that it takes to go back and collect information on a bit-by-bit basis.

ONE AREA OF SPECIFIC CONCERN is with details regarding prior carriers. Any application will ask for this information, but it's often missing. If coverage is currently being written with an admitted carrier, and they're willing to offer renewal, surplus lines carriers will not provide a refuge against increasing premiums. So, if your application tells us that an admitted carrier is on the risk and it also tells us that coverage is not being cancelled or non-renewed, we'll have to decline to provide terms.

ON THE OTHER HAND, if the current carrier is non-renewing, tell us so. That's what we expect. Explain the reason for non-renewal. If somebody's withdrawing from a class of business, say so. If the carrier doesn't like the insured's loss history, spell it out. Once we understand the problem, we can start to solve it.

IN ADDITION TO THE NAME of the expiring carrier, tell us the expiring premium. Maybe coverage isn't with an admitted carrier. Maybe it's already with a surplus lines carrier and, although they're willing to renew, the renewal terms are unacceptable. We can deal with that. Maybe our markets can offer more attractive terms. But, we need to know exactly what the renewal terms are. Give us the details, so we can perform for you.

THE REALITY IS, we want to write new business. We need to write new business. But, the only way we can do it is by concentrating our efforts and resources on those projects where we have a reasonable chance of producing an order to bind. Those producers who provide us with a full understanding of exactly what is required will get our prompt attention.



LANDERS
Underwriting

Post Office Box 888
Charlottesville
Virginia 22902

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LETTER FROM LANDERS

SO, I'VE GOT MY SPINACH and peas planted. We've gotten plenty of rain this past week and now the temperature's warming, so they should get a good start. Lettuce will go in this weekend. I'm going to replace my strawberries this year. Production was weak last May and I think they've just about given all they have to give. The bad news is that I won't have any homegrown strawberries this year, while the new crop gets started. I don't know who will miss them more – me or the squirrels.

AS THE SEASONS CHANGE and daylight is extended, we're seeing a shift in Noah's working hours. He's showing up to start work before 6:00 am a few days a week, so he can leave earlier in the afternoon and get in a good, long bike ride. As soon as daylight savings time kicks in, he'll be consistently showing up around 6:30 am, so as to be able to leave around 4:00 pm. So, if you're an early riser, yourself, maybe you can take advantage of his early hours.

PRODUCERS WHO HAVE USED US to access Chubb's Masterpiece homeowners program and had the opportunity to work with Jackson are learning that one of the best ways to get him excited about an account is to show him one that includes an art collection. Jack has his own collection of prints and antiquarian books and his interest and expertise in that area is a valuable tool for agents.


A LOT OF FOLKS have been asking how we're coping with the hard market environment that we're now in the midst of. Make no mistake, we appreciate the opportunities that we have to expand our premium writings. Businesses want to grow and this is our time to do that. It's gratifying to help our producers and their clients solve problems that other markets are unable to solve. One of the challenges that can frustrate us is that there are so many opportunities, but we're limited by the number of hours in a day and days in a week when we're reasonably able to get the work done.

WHILE WE HOPE that we're able to continue to develop relationships with new producers during the coming months, we have to direct our primary attention to responding to the needs of existing customers, who have supported our endeavors over the years. I continue to be grateful to all of you for your friendship, your business and your generous patience.

Gary Landers

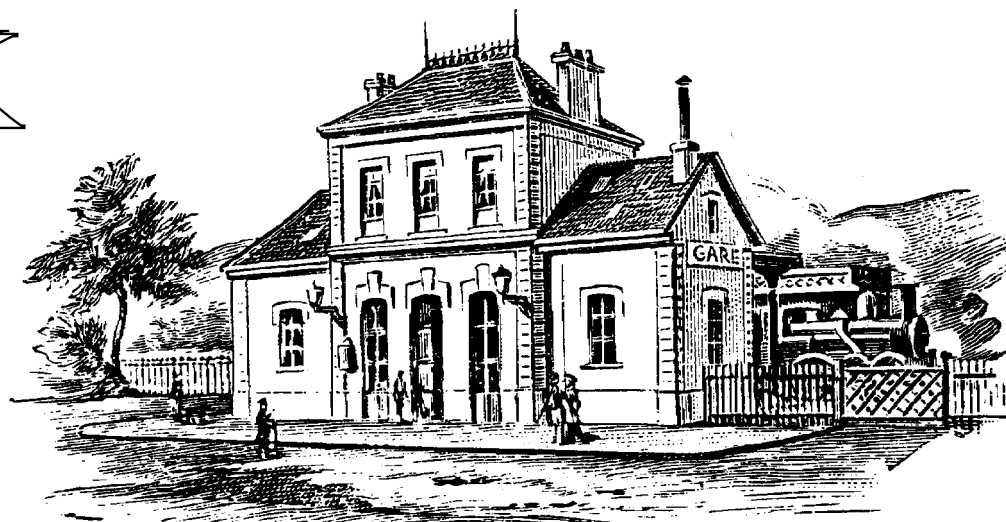
\$50 REWARD AUCTION GOOD QUALITY CASH

TOP 10 TAX DEDUCTIONS YOU SHOULDN'T HAVE TAKEN



10. Declaring lawn as dependent
9. Tuition deduction for dog obedience school
8. Child care credit because you "really care about children"
7. Deducting cost of American flag decals as "Voluntary Patriotic Display Tax Credit Act" expenses
6. Utilizing adoption credit for participation in Adopt-a-Highway program
5. Medical expense deduction for tattoo removal
4. Hot tub as home office
3. Job creation tax credit for son's allowance
2. Treating salary as capital gains because you work in Washington, DC
1. IRA deduction for contribution to Sinn Fein

RE-BUILDER'S RISK



UNDER NORMAL CIRCUMSTANCES, it's easy to place property coverage on a new building being constructed. The Builder's Risk Completed Value form was designed just for that purpose. You write the policy when construction starts and the exposure is nothing more than a hole in the ground. Coverage ceases upon completion of the work when the total values are in place. It works pretty well because the insured buys coverage with a limit that reflects the completed value of the building, so there's no need for constant increases in limits to reflect increasing values as construction proceeds. In the event of a loss, payment is made based upon actual values in place at the time of the loss. The insurance company's rates reflect the fact that, even though the policy shows a completed value limit, the actual values at risk are less than the policy limit. In fact, if the job moves at a steady pace, it works out that, on average, the actual values at risk are about half of the completed value.

SO FAR, SO GOOD? Makes sense, right? Now, here's the tricky part. What if it's not a new building, but a renovation or addition to an existing building? Generally, what happens is

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LANDERS UNDERWRITING

www.landersonderwriting.com
 P.O. Box 888, Charlottesville, VA 22902
 (434) 984-6060 fax: (434) 984-6363
 (888) 249-6060 toll free line

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that standard, admitted insurance companies won't provide Builder's Risk coverage, that's what. First of all, they don't like the fact that such risks frequently start off as vacant buildings; not a favored class under the best of circumstances. More important, though, the problem is that the rates that they have filed for Builder's Risk coverage aren't adequate to reflect the exposure for a renovation project. No longer do you have a situation where there's just a hole in the ground at policy inception and, thus, a negligible exposure. You have the actual value of the building before renovations. More exposure. Not enough rate. Declined.

AS YOU'D EXPECT, we wouldn't have brought this subject up if we didn't have a solution. Landers Underwriting provides coverage for renovation projects on a regular basis. We'll need a bit of extra information to come up with proper pricing, though. In addition to the basics (you know... location, type of construction, loss history, etc.) we'll want to know the initial value of the property, as well as the anticipated completed value. We'll need to know how much time is expected to pass before actual work starts and when completion is expected. We'll take it from there.

TO MAKE IT EASY, you can find an application just for these risks at landersonderwriting.com. Look under "Vacant Building undergoing Renovation". That wasn't so tough, was it?

ANCHORS AWEIGH

IT'S THAT TIME OF YEAR AGAIN. The bass boat may still be sitting in the driveway leaking oil, but in the coming weeks our scenic lakes, rivers and bay will, once again, be filled with motorboats of all shape, size and description. And you know what? They're all gonna need insurance and we can help you get it for them. Jet Skis, 'six-packs', yachts, high-performance, commercial watercraft, houseboats, wooden hulls and homemade boats alike qualify for our program with Markel American Insurance Company.



PRODUCERS wishing to access this facility can just call our service center directly. Just identify yourself as a Landers Underwriting producer and you'll be well taken care of. (If you haven't yet completed a Producer Agreement with us, just call and we'll get one right out to you.)

YOU CAN GET QUOTES instantly over the phone by calling our service center at (800) 236-2637, Monday through Friday, 8 a.m. to 8 p.m., and Saturday, 11 a.m. to 7 p.m. Immediate binding capabilities make it easy to cover those risks that always wait until the last minute to get back to you. Company-direct billing? You bet. All watercraft business is handled on a direct-bill basis. We mail commission checks to producers monthly. Save yourself the paperwork.

TELL 'EM Landers Underwriting sent you.

YOU CHECK IN, BUT YOU DON'T CHECK OUT



Often, when we're talking to new brokers, we'll get the question "So, what are you really good at?" Lately, the answer has got to be pest-control services. We've been seeing a ton of this business in recent months and end up writing most of what we see. Western World Insurance Company has a program that's practically unbeatable, whether the client specializes in eliminating long-tailed rodents or scurrying cockroaches.

Western World provides CGL coverage including Professional Liability. A sub-limit for Wood-Destroying Organism (sounds

YOU DON'T HAVE TO GO HOME, BUT YOU CAN'T STAY HERE

LIQUOR LIABILITY has often been treated as a "throw-in" by insurers who provide package coverage on restaurants and bars. When it's not included, though, producers need to make arrangements to offer coverage to their clients on a monoline basis or else risk being on the wrong end of an Errors and Omissions suit. Even in the absence of a dram-shop law, in jurisdictions like Maryland and Virginia, claims may be brought against dispensers of alcoholic beverages on a common law basis, and such suits can involve significant defense costs, even if the defendant ultimately prevails in court.



THE COMMERCIAL GENERAL LIABILITY policy will not provide any liquor liability coverage to insureds who are actually engaged in the business of selling alcoholic beverages. Without specific coverage, restaurants, hotels, taverns and carry-out liquor stores are all left unprotected. When there's no primary coverage, umbrella carriers will generally exclude the coverage from their policy, as well, leaving the business-owner totally uninsured.

LANDERS UNDERWRITING continues to offer a market for liquor liability on a stand-alone basis. We've got a specific application and you can find it at landersonderwriting.com.

like termites to us) Inspection Coverage is automatically included. Optional sub-limits are available for a Property Damage Coverage Extension to provide coverage for the Care, Custody and Control exposure that is otherwise excluded. Lost Key Coverage sub-limits are available to cover the cost of re-keying a building, in case the insured loses a master key.

Need property coverage for tools? Tool Floater Coverage is available at limits of up to \$10,000 on either a Basic Form or Special Form.

Licensed pesticide applicators are required to provide evidence of insurance to state agriculture departments as a condition of maintaining their licenses. Western World's program can help your insureds to meet that requirement and then some. Check our website or call for applications.