

THE CERTIFI-CATS



HERE'S THE DEAL

on Certificate of Insurance on policies handled by Landers Underwriting. You can't issue them. We can and will. They need to be signed by an "authorized representative" of the insurer and we can't make you an authorized representative.

KNOWING THE IMPORTANCE

of timely certificate issuance, requests get high priority. We can get them issued most promptly and accurately, if you'll email your requests to us. That way, we can just cut and paste the name and address of the certificate-holder onto the form. We'll affix an electronic signature

and email the completed certificate back to you to pass along to the interested parties. We specifically avoid emailing or faxing certificates directly to certificate-holders, as that direct contact can lead to the certificate-holders contacting us with questions and further requests, rather than the dealing with you, the insured's agent.

WHILE THERE'S NO CHARGE for issuing certificates, additional insureds are a whole 'nother matter. If you need an additional insured named, we'll need to know exactly what the interest of the additional is. If the insured is a contractor and they need to name an owner or general contractor as additional insured, we'll want to know the contract cost. Once we have the specifics, we'll be able to determine whether the carrier will agree to provide the requested extension of coverage and, if so, at what additional premium. It's important to note that additional premiums for additional insureds are fully earned upon binding.

AS REGARDS ANY requested amendments of standard ACORD certificate wording – it's not gonna happen. We will not agree to delete the "will endeavor to notify" wording in the event of cancellation. Until we've been paid the premium in full, we can only provide 10 days cancellation notice to certificate holders.

LANDERS
Underwriting

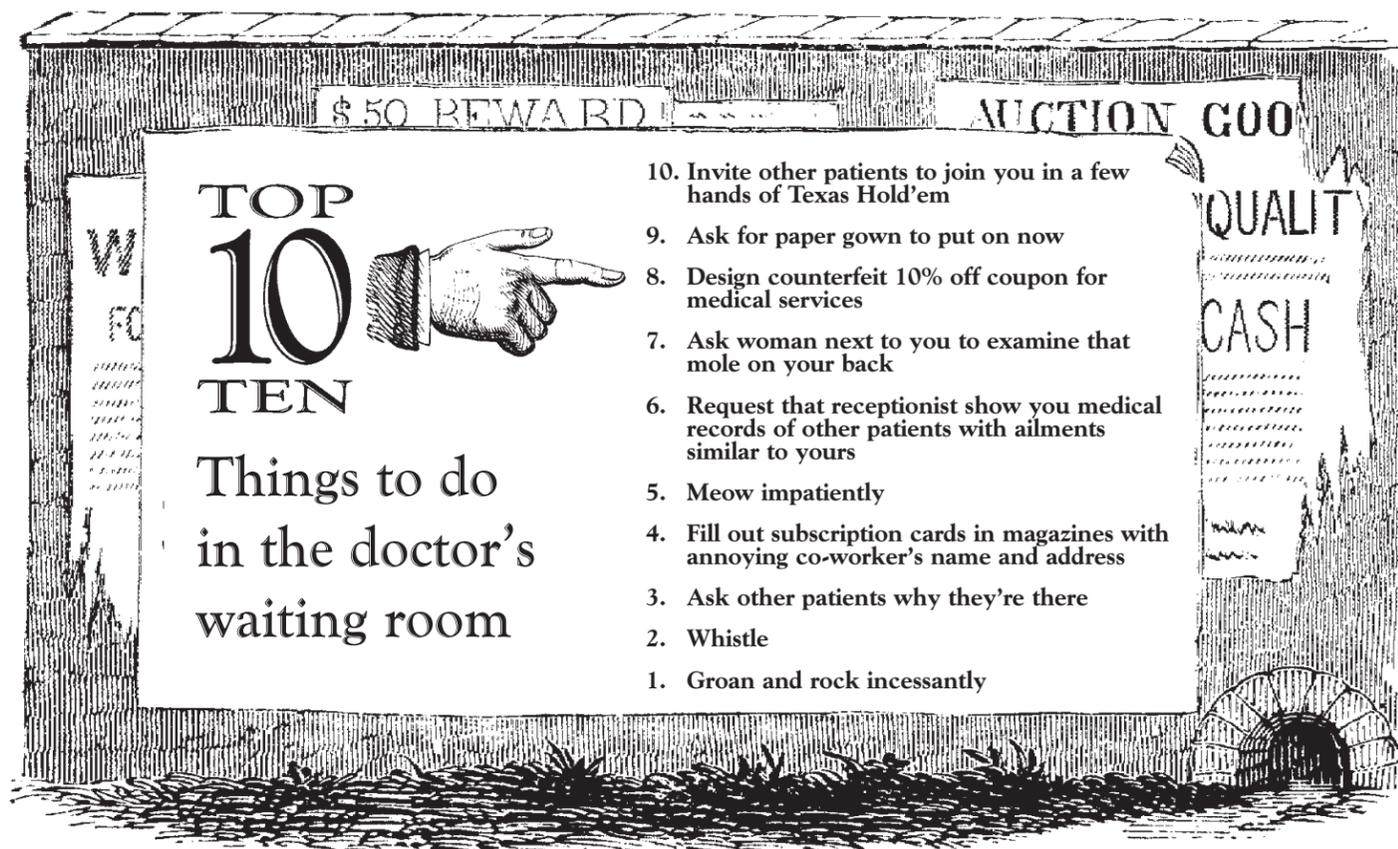
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SEPTEMBER 2006



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LETTER FROM LANDERS

I JUST GOT BACK from a few days in Arizona. What could be better than 105 degree weather in the dessert? The occasion was AAMGA's annual University Weekend, which was jam-packed with classes. Believe it or not, we spent four hours on the topic of Additional Insureds. I know more than any human has any need to know about additional insureds. Let's see how long I can retain that knowledge. And there was a bit of fun, too. A small group of us got up early Sunday morning to hike to the top of Camelback Mountain. The pre-dawn start allowed us to avoid the worst of the heat. We were rewarded with cooling breezes and a spectacular 360 degree view of the Phoenix area at the summit.

WITH LABOR DAY and the peak of our own Mid-Atlantic heat behind us, I've started to get serious about running again. This is the time of year when I need to think about where and when I intend to run my annual marathon. I've been thinking about somewhere in the Pacific Northwest, but welcome suggestions.

WE'VE GOT SOME MUSICAL CHAIRS going on at Landers Underwriting. After three years with us, April Roth is leaving us to return to Portland, Oregon, where she grew up. We'll miss her. So, Mandy Owen will be moving over to handle Professional Liability, D&O and Employment Practices business. Calin Cole will begin working on General Liability risks. And... two new folks joining us: Cynthia Lowe and Matthew Phillips. You'll be hearing more from them later. You can't tell the players without a scorecard.

FOLLOWING A SUMMER INTERNSHIP with Chubb, my daughter, Jill, has begun her final semester as a graduate student at The University of Virginia. Could an insurance career be in the future? We'll see. In any case, this seems to be the end of the line for tuition payments and that's a good thing. Thanks to all of our customers for making it possible for me to have the privilege of writing those tuition checks.

Gary Landers

KEEPING THE FAITH

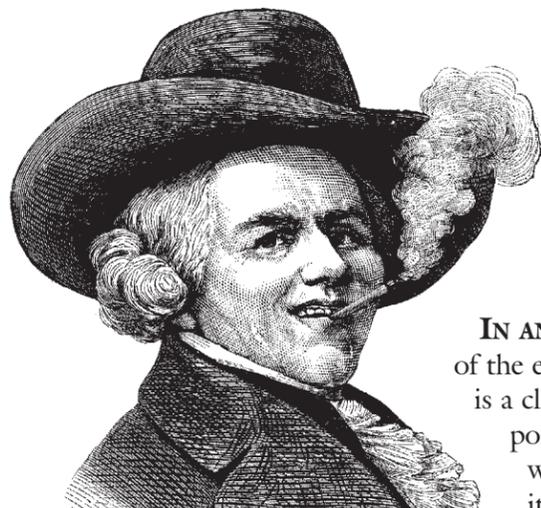


FAIRLY OR UNFAIRLY, we've seen the property and casualty insurance industry taking some tough criticism for failure to pay claims following Hurricane Katrina. There have been thousands of suits against insurance

companies by property owners alleging all sorts of grievances, ranging from failure to pay for flood damages to foot-dragging in settling windstorm claims. Even Trent Lott, the U.S. Senator from Mississippi, has filed suit.

PD LIKE TO RECOMMEND that insurance agents spend some time looking at a website that's devoted to bad faith claim handling practices by insurance companies – www.badfaithinsurance.org. I was particularly interested in seeing their listings of top "Good-Faith" insurers, as well as their top "Bad-Faith" companies. The good news is that several companies that we represent were included in the top ten of the "Good Faith" list. Chubb, Nautilus and Great Divide (part of the W.R. Berkley Group).

WE ALL KNOW that claim-time is where the rubber meets the road in our business. If an insured is treated fairly when a loss occurs, the agent and the company can have a client for life. If an insured concludes a claim experience with a negative impression, it's difficult to make that problem go away. If we don't respond properly to claims, we're just selling very expensive pieces of paper.



IN ANY SEGMENT of the economy there is a clandestine bi-polar system at work. Most of its participants

have no idea that it even exists. Business people who cut corners, shade the truth and generally play fast and loose tend to end up doing business with other people like them. This is forced in part by the fact that honest people will grow wary of them and push them away somehow. For the dishonest person's part, he tells himself that the honest person was too pedantic and fussy to work with.

WE SEE IT in the insurance industry all the time. There are agents who regularly bring us risks that turn out to be very different from what they were presented as. The clients are evasive during inspections. Claims are discovered that weren't on the application. Ask the agent

THE SECRET BI-POLAR BUSINESS SYSTEM

some routine questions and he gets angry. After a while, we find a reason to turn down everything he brings us. He eventually finds another market source who is okay with the fast and loose approach. The birds of a feather flock together and the bipolar system asserts itself again.

THE PEOPLE IN THE DISHONEST POLE are usually miserable. Everything is difficult for them. Invisible walls are constantly appearing, due to their attitudes. This leads to an "every man for himself" mentality which magnifies the problem. Their potential for success and profit is severely limited.

MEANWHILE, THE HONEST PEOPLE are happy and profitable. They are polite and up-front about potential difficulties so problems can be solved before they fester into something much worse. We deal with other nice, honest people and feel pretty good at the end of the day. Our mutual good attitudes encourage us to keep doing

business with each other, which of course leads to profits and success.

AS I SAID, it's a secret system. Nobody talks about it as a whole and nobody reflects on where they are in it or how that status is affecting their business. The question that we each need to ask ourselves is which of the two poles our business is part of and how we can get into and stay in the good one.

UNDERSTANDING THIS IS ESSENTIAL to writing high-end business and holding on to good markets for it. Your loss ratios will be lower. Your retention rates for profitable business will be higher. An honest approach to an account will result in better coverage and a happier client who pays you more money for insurance than the other guy would charge because you're solving problems instead of sweeping them under the rug.

MO' LIMIT, MO' LIMIT, MO' LIMIT

DON'T FORGET ABOUT Landers Underwriting for your clients' excess and umbrella liability needs. While you won't find us to be the answer for cheap capacity to compete with admitted carriers, we can be a helpful source for excess limits on your unusual or difficult-to-place commercial business.

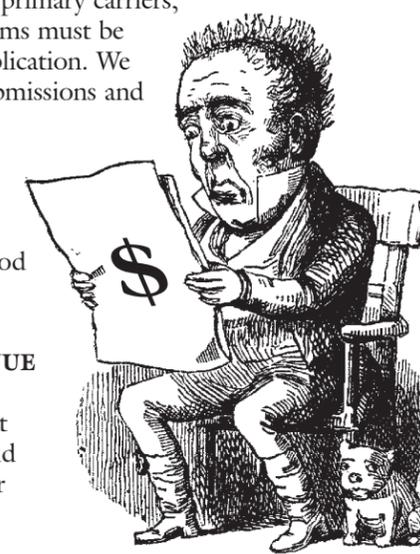
WE SPECIALIZE IN contractors (artisan and general), service risks, new ventures, habitational risks (rental dwellings, apartment buildings, motels, etc.), manufacturing exposures,

offices, stores, vacant land and buildings, recreational exposures (parks, clubs, etc.), restaurants and bars, special events and light-to-medium hazard products. Limits up to \$5,000,000 are available. We will also entertain Excess Umbrella on select business.

OFTEN, WE'LL WRITE OVER primary liability that's written in the non-admitted market. Other times, an admitted primary carrier just won't be willing or able to offer excess coverage.

Your clients may need additional liability limits to meet contractual obligations.

A FULLY COMPLETED ACORD application will generally do the job. Of course, "fully completed" means that all details on primary carriers, limits and premiums must be shown on the application. We welcome your submissions and inquiries.



MO' MONEY, MO' MONEY, MO' MONEY

OKAY, WE DID IT. We've increased our policy fees from \$100 to \$125. Over the past several years, we've seen our competitors charging higher fees and resisted the opportunity to follow suit. But, the economy has caught up with us. State licensing costs have increased. Association membership costs have increased. Health insurance premiums have increased. Inspection costs have increased.

You all know the drill. Your businesses face the same cost pressures

WE'VE BEEN CLEARLY STATING the amount of the policy fee on our written quotes that we send to producers and will continue to do so. If you'll keep a close eye on those quotes and be sure to notify your clients of the amount of the fee,

we'll all be in good shape.

WE'LL CONTINUE with our best efforts to see that our producers and insureds get their money's worth.

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