

The Team at Trinity wishes you and yours a Happy, Safe and Enjoyable Labor Day!

Highlights:

- Reflecting Back...
- Did You Read That Contract BEFORE you signed It? – Applicable to both Personal and Commercial Insurance
- Food For Thought...
- Barktoberfest – 10/30/11

Trinity was founded on the core principle of Service. Our mission is to seek out and serve with the highest measures of morality, ethics and integrity. We don't simply want to be your insurance broker; we want to be your trusted partner. We want you to know that we are working for you, with you and with your best interest and our reputation first.

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Dedicated to Serve!

Reflecting Back....As we prepare this edition, I find myself reflecting back over time and remember a client from my past. I think about this client often as there are great lessons to be learned through the experience. It was a sizeable company, multi millions in revenue, top management educated in some of the finest schools in our country, and yet, when it came to ensuring that risks both presently and potentially possible for their business were protected, the senior most decisionmakers chose to assume the “ostrich position”, as I call it. They simply ignored the possibility that losses of any magnitude could adversely impact their financially sound company to any great degree and buried their heads in the sand.

It was back in the days when Directors & Officers Liability protection was in turmoil and the pricing of said coverage was unstable, to say the least. Renewal premiums were rising through the roof and companies such as my clients were being hit exceptionally hard because of the financial nature of their business. Still, the decisionmakers chose to accept a competing agents’ quote over our renewal – one that I knew based on the insurance company presented and their terms and conditions, did not provide the client with coverage as broad as our renewal proposal, but at cost savings of 15% less than the renewal premium we could offer.

Try as I may to educate the client on the differences and the necessity of one particular coverage extension of our insurer’s policy vs. the competition, the Treasurer could not get senior management to understand the significance. Six months later, the multimillion dollar company was out of business, closed up, gone....all because of a loss that fell within that missing coverage I’d tried my best to counsel the client to understand.

The Last Edition focused in on **The Dangers of Being Underinsured** from a Property perspective. This edition, we’d like to comment on a few areas where contractual acceptance of liability can place an individual, a company, in serious financial jeopardy.

At Trinity, we take our mission seriously. Part of our mission of service is to enlighten and educate our clients, our friends, on the significance of awareness to the risks faced, and provide guidance and recommendations on how best to address such exposures – whether through insurance or some other non-insurance technique.

So, Welcome! We’re glad you’ve chosen to take the time to review what we have to share! Have a safe day!

Donna



Did You Read That “Agreement” Before You Signed It??? Far too often, we’re so excited, or in too much of a hurry, or simply put, there’s far too many words on the page and the “mumbo jumbo” is simply too hard to comprehend, to take the time to read what we’re placing our “*John Hancock*” on. What exactly is contained in that document you’ve just signed? What duties have you just agreed to perform?

- “But, I want it!”
- “I want it NOW! “I don’t have time to read all the fine print before I sign it.”
- “How can they hold me to something I didn’t read?”
- “If I don’t know about it, I won’t worry about it.”
- “But the person who gave me the contract told me not to worry about that part. He didn’t even know it was in there.”

And, one of my favorites

- “I don’t have anything of value, so why should I care? What can someone actually get from me?”

A contract is a legally binding document wherein, by applying your signature, you agree to certain terms – whether you recognize that agreement or not. Ignorance of the law or of the words written in a contract are not valid defenses for not fulfilling the terms and conditions of the law.

Disclaimer: The members of Trinity Risk Services are not experts in contract law and are merely addressing exposures relative to loss as they relate to insurance and the management of risk. Please consult your legal advisors for full and complete analysis of your specific situations.

There! Now that we have that out of the way, let’s continue.

You signed it! You agreed to it! Chances are pretty good that you’re bound by your signature. We live in a society of “I WANT IT NOW”! Unfortunately, we live in a very litigious society, as well. Sometimes the two are in conflict with each other. And, when this happens, one can only hope that the risk has been addressed in a financially sound manner – whether through insurance, a savings account or through the use of other financially fluid mechanisms.

What about the **Contractor** who signs a contract to perform a specific service? Typically, such contracts include clauses passing **liability** onto the contractor from the owner or others. Just because the contractor has contractually agreed to something doesn’t mean that their insurance policy will respond. **Know what your policy – whether it is your Homeowners, Auto or**

Business insurance - will and will not cover. Pass a copy of your contract along to your insurance agent for review and comment. Don’t put your business at risk. Don’t put your financial security at risk. We’re here to help in such situations. It’s part of our service to you!



What about that **lease** you’ve signed, whether it is a lease on that new apartment, a lease on office space, a lease to use parking space near your place of employment, a lease on a new car or equipment? What risks have you just assumed? What have you agreed to? Typically, there is an Indemnification Section, as well as an Insurance Section to a contract. These are important, but there are often important risk details within other sections of the contract, as well.

Leases typically require you to carry some sort of insurance. Today’s leases are getting more complex because the owners, managers, are getting wiser and taking advantage of the risk management technique of transferring liability for certain exposures to someone else – in this case, the tenant. If it’s in the lease and you sign the lease, you’re bound! Make sure you have a means by which to pay for a loss if one occurs....and, they do occur!

Oh, you don’t have anything of value, no assets? What can someone actually get by suing you? You’re young? **Ok! What about those current and future earnings? What would it be like to have your wages attached to pay for a financial obligation for the rest of your life?** It’s possible. And, in many cases, it’s probably....especially where an auto accident comes into play.

Know what you’ve agreed to! Read your contracts carefully. Contact your Trinity representative to help with your insurance needs.



Food for Thought....In Pennsylvania, an owner of a registered vehicle is required to carry auto insurance with a minimum liability limit for Bodily Injury of \$15,000. If you were in a “at fault” auto accident, how well do you think \$15,000 would protect you?



Come join us for a “barktastic” time at the 2nd Annual **Barktober Fest** at the North Park Boat House on Sunday, October 30th. Don’t miss out on the pampering pet promotions, i.e. vet care, vaccines, trims and more! Sponsored by the Vet Tech Institute of Pittsburgh!