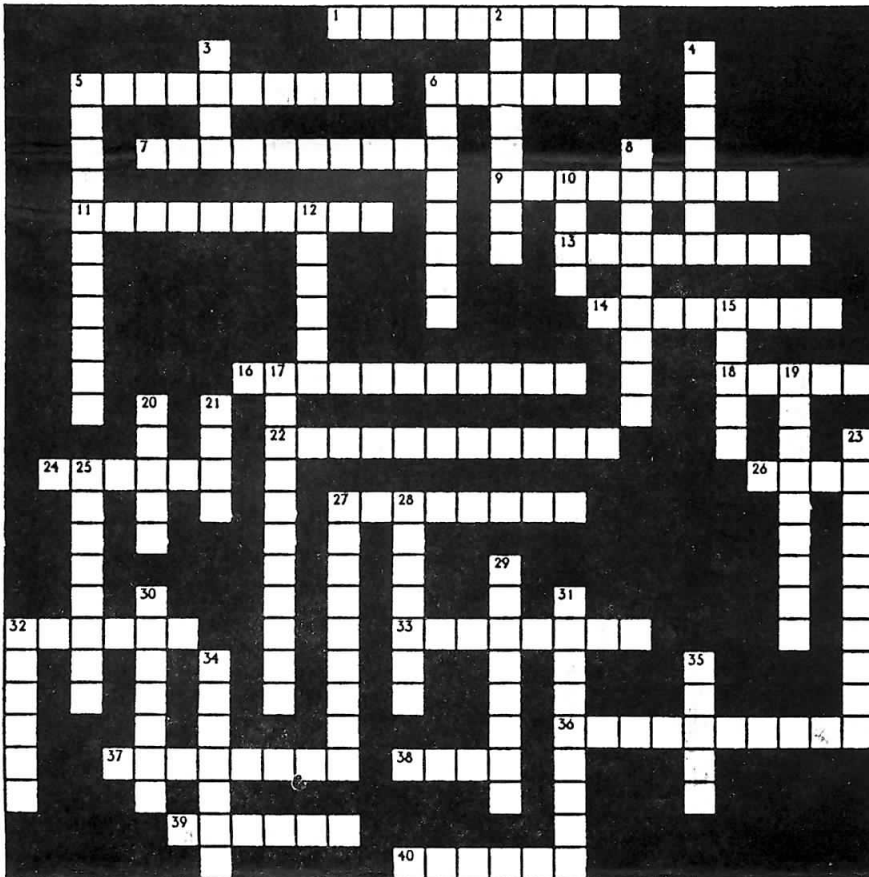


CHAPTERGRAM CROSSWORD PUZZLE

by: Pete Palestina, CPCU

Completed Puzzle on Page 7. N.B. This one is Legal Environment Driven, CPCU-6



ACROSS

1. consists of an offer by one party and an acceptance by another party
5. the complete unmaking of a contract
6. granted to one who has given physical expression to an idea
7. lawsuit
9. principle to put one in the same position as before the loss
11. person used as a test standard to apply to peoples conduct in general
13. to be admissible must be relevant, material and competent
14. forces one to testify or produce documents
16. discharges most contracts
18. involves an intentional misrepresentation resulting in harm to someone
22. type of ownership where a corporation holds title to the property
24. intentional relinquishment of a known right
26. a right to retain possession until paid
27. party to whom the rights of a contract are assigned
32. has custody or care of someone else's property
33. an agreement that replaces an original party to a contract with a new party
36. property subject to a security interest
37. requires transfer of possession
38. written instrument that promises to pay money on demand
39. tenant
40. contract allowing lender more than the maximum legal interest of a contract

DOWN

2. fact that caused a party to enter a contract
3. gratuitous voluntary transfer of property without consideration
4. another name for adverse possession
5. court will allow this remedy of a contract upon proof of a material mistake
6. damages awarded to punish a defendant
8. often causes court to determine meaning
10. instrument that transfers title to land
12. temporary evidence of a contract
15. promise that requires an act or a return promise in exchange
17. contractual provision to relieve a party of liability for negligence
19. contract right available only to an innocent or injured party
20. law to protect rights and provide remedies for breach of duty
21. group of people who consider evidence in a case and decide what facts are true
23. contract involving the exchange of a promise for an act already performed
25. one sided contract
27. person who appeals
28. does not constitute fraud in the absence of a duty to speak
29. written laws
30. evidence offered without no personal knowledge of the facts
31. one who serves in a confidential capacity
32. failure to adhere to a contract
34. contract where parties have expressed intent but not by written words
35. implied-in-law contracts

NORMAN A. BAGLINI, Ph.D.,CPCU, CLU TO RECEIVE 1995 FRANKLIN AWARD

The Philadelphia Chapter of the Society of CPCU Proudly Presents

THE THIRTEENTH ANNUAL FRANKLIN AWARD

The Award Will Recognize
NORMAN A. BAGLINI, Ph.D., CPCU, CLU
For Outstanding Achievement and
Contributions to
The Insurance Industry and Insuring Public

The Award will Be Presented
At a Special Luncheon at
The Doubletree Hotel Located
Broad and Locust Streets, Philadelphia
March 21, 1995

Cocktails 11:15 • Lunch 12:00

Keynote Speaker: Roger W. Joyce, CPCU President CPCU Society

Please make my reservations for _____ at \$30.00 each.

Full tables of ten (10) or half tables of five (5) are
available. Cost for full table is \$275.00/Half table is \$140.00.

Make check payable to:

Philadelphia Chapter, CPCU
P.O. Box 1499, Phila., PA 19105-1499
Deadline: March 17, 1995

Name(s): _____

Firm: _____

Address: _____

Phone: () _____

THE PERSONAL SPONSORSHIP PROGRAM

Remember when you made the commitment to your professional development by beginning the CPCU programs? Most of us do. Did you ever have difficulty staying on track? Most of us did at one time or another.

Right now, there are many individuals in this area who have made the same commitment and are looking for support and encouragement in keeping on track. For this reason, we are asking you to become a Personal Sponsor in our Chapter.

What does a sponsor do? A sponsor is not a tutor but rather a "mentor" who provides leadership, motivation, and guidance throughout a candidate's course of study. A sponsor can also be instrumental in encouraging a candidate to re-enter the CPCU program. Maybe you are a sponsor now without having realized it.

If you are a CPCU who believes you may be sponsoring somebody now, or if you are a CPCU who would like to sponsor or know more about this program, please contact the candidate development chairperson, Shiang Wu at (215) 299-4980.



The President's Corner

by: Frank Mason, Jr.,
CPCU, President

Can You Remember?

Can you remember:

- The "Hard" market
- Sanborn Maps
- Broad Form CGL Endorsement
- Insurance Carrier Production Travel Trip Incentives
- SMP policies

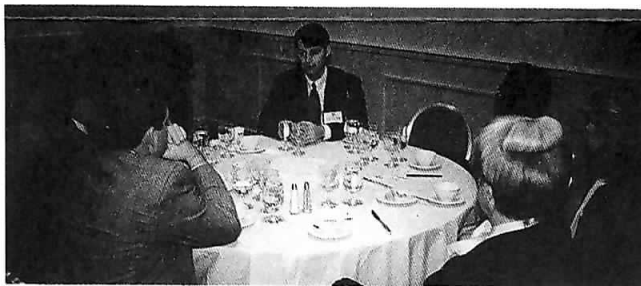
I'm aging myself having been in the insurance business for longer than I care to admit. The one constant in this business is change. Your CPCU Society is adapting to change. We're staying in the forefront to help our membership adapt to the rapid changes going on around us in the insurance industry.

Our education sessions at our monthly meetings are designed to provide you with information on changes happening within our industry. To adapt to change, you have to understand why changes are happening. To anticipate change puts you one leg up on your competition.

Join us at our monthly breakfast meetings. I can remember when our monthly meetings were attended with well over a hundred people.



T.C. McDonnell, CPCU, CIGNA moderated the potpourri session.



Jim Proferes, Chubb, moderated the session on Executive Crime.



Ed Levy, CPCU, DVUA moderated the E & S session.

National Director's Corner

by: Joseph E. M. Ryan,
CPCU, CLU



It's a New Year and by now, if you're like me, some New Year resolutions may be a bit frayed on the edges; if not already broken. But, who said resolutions can't be made or reinstated in February or even March?

As a CPCU and as an Insurance Professional, may I challenge each of you to make a resolution to earn a certificate of Continuing Professional development. The Philadelphia Chapter membership is already well represented in the percentage of members who now have a CPD certificate. Are you one of them? If not, why not take the time now to ask any Chapter Officer for an application for recognition. You may be surprised to see how close you are already to qualifying.

Right now CPCU's are not required to complete Continuing Education to maintain their designation. Most other professional designations have that requirement. Are CPCU's any less committed to CE. I think not. If you agree, take that extra step. Apply for CPD recognition. You'll be self rewarded and feel a lot better about New Year Resolutions.

November Meeting Recap: Roundtables

by: R. Bruce Tuttle, CPCU, Program Chairman

The November breakfast meeting introduced a new format at our Chapter: Four different "roundtables" were presented at the Doubletree Hotel. After selecting from the buffet table, attendees sat at one of the following roundtables for lively discussions:

EXECUTIVE CRIME: Jim Proferes of Chubb led a lively discussion of current affairs across the spectrum of white collar crime and new ways that an organization's assets can be attacked and stolen. Discussions began on coverage triggers including definitions of manifestation of intent, intent to cover joint ventures or affiliated ventures. Also discussed were: employee practices liability, and a theft of services known as telephone fraud. Specific losses were mentioned, with the more interesting being the \$5.7 million accounts payable employee dishonesty loss.

MARINE INSURANCE: A small group of attendees listened to Bill Stifnagle, CPCU, of IMU explain the difference between the New York and Philadelphia Market places. The decline of the use of the thruport policies; how to properly evaluate riverboat casino's equipment; and current transportation underwriting were some of the main topics.

EXCESS AND SURPLUS LINES: This roundtable was led by Ed Levy, CPCU, of DVUA. The attendees learned that there are opportunities for E & S business in this soft marketplace; some to it coming from pieces of accounts that do not fit into the niches of standard carries. Professional liability, especially for consultants and environmentally sensitive risks, and the new and growing biotech, industries are currently "hot" items for E & S companies.

POTPOURRI: T.C. McDonnell, CPCU, of CIGNA served as moderator for this colorful discussion in which all participants took part. The direction T.C. took this group was around the initial question: what characteristics were necessary to be successful in today's insurance industry. They talked about the experience level of the insurance work force and the required skills to move into management; and, as an employee, how important it is to continue to add value to your organization - especially through continuing education and training.

Future breakfast meetings are planned for: April 20 with a topic of employment practices Liability; another for May 18 with the local NAIW for an Ethics topic; and our last meeting this season will be June 15 for the Education topic and Chapter Elections. Attendees do not have to be CPCUs. All meetings are at the Doubletree Hotel in Philadelphia.

Shirley Funkhouser, Anne Kopanski and Cindy Wolkiewicz contributed to this article.



William Stifnagle, CPCU, IMU moderated the Inland Marine Session

December Meeting Recap:

Globalization & Small Business

by: *Barbara Dapolito, CPCU*

At the December breakfast meeting we were given a good look at globalization and how it will affect the American insurance industry.

The topic was "Globalization and Small Business" and our speakers, James W. Hutchin, CPCU, Director, Willis-Corroon International/Americas and Anita Cruver, ARM, Vice President. Willis-Corroon Corporation of Pennsylvania were enthusiastic and informative.

Jim focused on the globalization taking place in the property market. This business has not been good for the past few years due to competition, buyers self-insuring and more frequent severe losses. Jim advised that since 1985 most of the catastrophe losses occurred in the United States.

However, there is global capacity and the largest risks are going out of the United States for insurance. Clients are looking for a single source for all their needs no matter where located.

There is a growing feeling that globalization will level the playing field between the giant companies and smaller companies willing to do it all and are able to adjust quickly to a clients requirements.

Opportunities will go to the company that has a branch where the client has its home office, whether it be New York or Zurich, staffed with professionals who have international skills and are sensitive to cultural differences.

Anita Cruver took us through the nuts and bolts of accomplishing this. She advised that there are substantial benefits and also risks in crossing the line to influence international clients.

Our domestic contracts for both property and casualty in general do not respond well to the international needs of our domestic clients while foreign contracts are able to cover all the exposure. There are a handful of American companies who have structured contracts that allow them to even the competition.

The challenges to the United States carriers are substantial. They need to be quicker to respond to technology transfer, to open up to the inflow of ideas and that information is a free exchange.

We must view our "domestic market" as the globe if we are to share in the \$500.00 to \$1,700.00 premiums paid per head per year on insurance in foreign countries.

After several questions the meeting was adjourned.



Anita Cruver (l) and Jim Hutchin (m) both of Willis Corroon chat with Bob Hedges, CPCU after the December meeting. Anita and Jim were the featured speakers on the topic of Globalization and Small Business.



Some of the crowd at the December meeting on Globalization.

Remember Last Winter?

by: *Peter F. Palestina, Editor*

As this Chaptergram goes to press in mid January, I am reminded of the harsh winter of 1994 when the following humorous diary notes of a visitor to our area was circulated around some of our offices. Thought you might like to read it and hope that by the time you read this in late February or early March you have not experienced any similarities to last year.

Winter Life In Pennsylvania

January 3, 1994

Moved to our new home in Pennsylvania. Beautiful development with lots of trees and great view. Moved up from the south. Can't wait to see some snow.

January 10, 1994

Snowed last night! What a beautiful setting. Shoveled the driveway open. Kids love it here. What a terrific state to live in. Snow plow came by. Had to shovel out.

January 13, 1994

More snow. Kids are off school. Shoveled the driveway to get to work. I-83 blocked with assholes who don't know how to drive. Got home to find the snow plow came by and blocked my driveway. Had to shovel to get car in. He's starting to piss me off.

January 14, 1994

More of the white shit fell again last night. Kids still off. Just got finished shoveling out the driveway again and that damn plow came by and closed it up again. Gave the driver the finger. He blinked his lights and ran over my mailbox. Bastard!!!

January 17, 1994

Snow falling and a foot more is predicted. Kids off again. Left car out along the curb so I didn't have to shovel the driveway out again. The son-of-a-bitch in the plow came by and buried the car. I was about to report it stolen when I noticed the antenna sticking out of a mountain of snow.

January 18, 1994

Snow stopped. Hurrah! Kids still off. Wife on tranquilizers for her nerves. Kids acting like a tribe of Apaches. It's getting cold!

January 19, 1994

Temperature is 15 below with windchills to 40 below. Kids off again. Wife spending most of her time dressing and undressing the little ones while acting the part of a referee. My back hurts, my ass is dragging and haven't gotten any mail since that damned plow driver knocked over the mailbox.

January 20, 1994

Car is frozen solid in a huge iceball. Kids still home from school. Wife is aging rapidly. Nagging me to shovel car out so she can get kids out of th house for awhile. I told her I'm getting polio and she'll have to wait till spring. She didn't buy that one and I went out to start. Just when I finished I saw the damned plow coming. I ran in the house and got my gun. I shot out his front tire and he lost control and ran over my car.

January 21, 1994

More snow predicted! I called the office and asked for a transfer to Mexico.

Chapter "Fire Safety in the Home" Essay Contest Concludes 11th Year

Editor's Note: This was the 11th year that I have been involved with running our Chapter's Fire Safety in the Home Essay Contest which we have been co-sponsoring in conjunction with Council Rock School District. Although a lot of work goes into it, I can honestly say that it is most gratifying and well worth the effort. To see the smiling faces of the children and their proud parents as they receive their awards and recognition warms the heart. But more importantly, the fact that so many children enter the contest and write and learn about fire

safety, many lives can be saved and after all, isn't that what it's all about? Please enjoy the photos on these two pages of the Chaptergram. They were taken at the Council Rock School Boards Public Meeting of November 21, and the Northampton Township Board

of Supervisors Public Meeting of November 23. Both were televised over cable TV. My special thanks go to the Council Rock School Board, Superintendent of Schools, teachers, parents and especially the great students who participated.

by: Peter Palestina, CPCU

Fire Safety Essay Winners Receive Their Awards

Holding their awards are the Council Rock School District winners of the eleventh annual Fire Safety in the Home essay contest sponsored by the Philadelphia Chapter of Chartered Property and Casualty Underwriters (CPCU). First row from the left, first and second grade level: Anthony Cirone (1st place), Matthew Radlow (2nd place), Jonathan Gremminger (most creative), and Nicholas Petro (3rd place). Second row, third and fourth grade level: Mai Kaga (1st place), Amanda Ingle (2nd place), Mark Yankovich (3rd place), and Michael Kelly (most creative). Third row, fifth and sixth grade level: Elizabeth Andes (1st place), Ashley Pinto (2nd place), Heather Lorenz (3rd place), and Billy Primrose (most creative). Adults: left, Pete Palestina, CPCU, Chairman Northampton Supervisors and contest coordinator, right, Charlene Miller, School Board Director and Frank Mason, Jr., CPCU, President Philadelphia Chapter of CPCU.

The awards were presented at the Council Rock School Board meeting of November 21st. First place and most creative finishers received a \$100 U.S. Savings Bond and a plaque. Second and third placers received a plaque. The students also received plaques and citations from the Northampton board of Supervisors and Pennsylvania State Representative Roy Reinard at the November 23rd Board of Supervisor's Meeting.



The essays were written during National Fire Prevention Week in October. All students in the Council Rock elementary schools were eligible to participate.

COUNCIL ROCK SCHOOL DISTRICT ADMINISTRATIVE OFFICES

November 23, 1994
Mr. Peter Palestina,

A special thank you for again providing an opportunity for our students to participate in the CPCU "Fire Safety in the Home" Essay Contest. This program has become a tradition in Council Rock, one that truly benefits our students. For those of us watching the youngsters receive their awards; with their hair slicked back, half smiles and sense of pride, it is a special moment indeed.

Again, a sincere thank you for making it all possible.
Respectfully,
David P. Blatt, Superintendent of Schools



Northampton Board of Supervisors Chairman Pete Palestina, CPCU and Fire Safety Essay Contest coordinator presents a first place plaque and township citation to Anthony Cirone at the November 23rd public meeting of the Northampton Township Board of Supervisors.



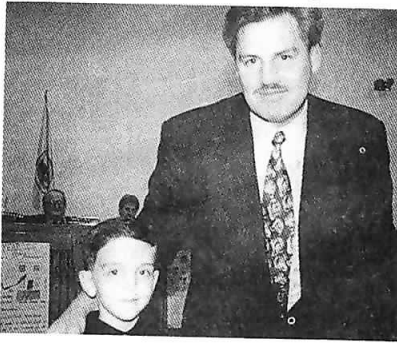
Pete Palestina, CPCU explains to the audience attending the November 23rd award ceremonies what CPCU and the Annual "Fire Safety in the Home Essay Contest" is all about. Northampton fire marshal Frank Fenton (l) assisted in the presentations to the winning students who are holding their awards while public officials watch.



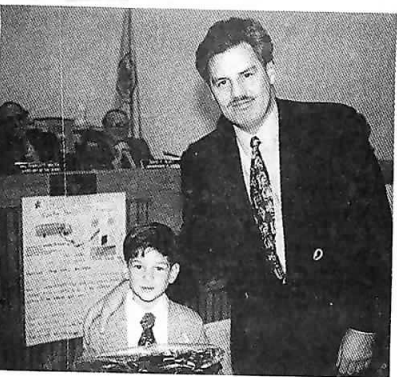
Northampton Township Manager Bruce Townsend presented the citations issued by State Representative Roy Reinard at the November 23rd public meeting to the winning students.

Here are the 1994 "Fire Safety in the Home" Essay Contest Winners from Council Rock School District

1st & 2nd Grade Categories



1st Place Winner
Anthony Cirone, Holland Elementary



Most Creative Winner
Jonathan Gremminger, Hillcrest Elementary



2nd Place Winner
Matthew Radlow, Rolling Hills Elementary



3rd Place Winner
Nicholas Petro, Rolling Hills Elementary

3rd & 4th Grade Categories



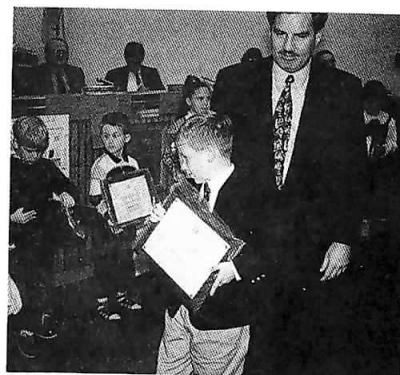
1st Place Winner
Mai Kaga, Hillcrest Elementary



Most Creative Winner
Michael Kelly, Hillcrest Elementary



2nd Place Winner
Amanda Ingle, Holland Elementary



3rd Place Winner
Mark Yankovich, Richboro Elementary

5th & 6th Grade Categories



1st Place Winner
Elizabeth Andes, Holland Elementary



Most Creative Winner
Billy Primrose, Churchville Elementary



2nd Place Winner
Ashley Pinto, Churchville Elementary



3rd Place Winner
Heather Lorenz, Holland Elementary

A RECAP OF PHILLY I-DAY 1994

by: Paul R. Hertel III, CPCU



Philly I-Day, 2001 An Insurance Odyssey, was a successful event again this year. We had an interesting line up of seminars and speakers and a good turnout of New Designees.

Developing I-Day started with an initial brainstorming session of insurance industry leaders. At that session, a list of ideas and topics were assembled which the group felt would be of interest to the insurance community. After holding several meetings and discussions, the I-Day committee then took that list and chose five topics which if felt would be of most interest. The topics chosen for this year's I-Day were Niche Marketing, Alternative Markets, Automation, Redlining and Global Insurance.

Each committee member was then assigned a seminar topic and responsible for finding a moderator and panel speakers. After finding speakers and moderators who were qualified to address the various topics (and finding speakers and moderators who were available on that particular day), each committee member met with their moderator and panel speakers to develop the program. From that point, each moderator was responsible for making sure the program developed smoothly, and it was up to each committee member to accommodate any needs required by the moderator and speakers. Although the actual turnout at this year's I-Day was less than that of last year, it was still a successful event. The seminar topics proved to be very interesting and went off without a hitch (for the most part).

The New Designee turnout was larger than last year which was encouraging. At the luncheon, the New Designees were reconferred by Dr. Edwin S. Overman, CPCU, who presided over the conferment ceremony, and Frank J. Mason, CPCU, our chapter president. Both made inspiring comments of the New Designees and to all CPCUs in the audience. The New Designees who attended were:

- | | |
|-----------------------------|--------------------------------------|
| Griffin P. Affel, CPCU | - Balis & Co., Inc. |
| Stephen P. Betts, CPCU | - Admiral Insurance Company |
| Andrew S. Brookes, CPCU | - Kemper Group |
| Gerad J. Connelly, CPCU | - Insurance Education Concepts |
| Francine I. DiTomaso, CPCU | - The Simkiss Agency |
| Angela V. Edmond, CPCU | - Aetna Life and Casualty |
| Kathleen M. Franzel, CPCU | - General Accident Insurance Company |
| Stephanie D. Ladson, CPCU | - Keystone Insurance Company |
| Michael M. McCluer, CPCU | - Continental Insurance Companies |
| Debra H. Paziora, CPCU | - Cigna |
| Kirk J. Paul, CPCU | - Weeks, Worthington & Co., Inc. |
| Melannie A. Potter, CPCU | - Rollins Hudig Hall |
| Joanna T. Rowan, CPCU | - Philadelphia Insurance Companies |
| B. Daniel Seltzer, CPCU | - Cohen-Seltzer, Inc. |
| John A. Simkiss, III, CPCU | - The Simkiss Agency |
| Marguerite S. Steward, CPCU | - United National Insurance Company |

And with that another Philly I-Day came to a close. The I-Day committee will be meeting in the near future to review the day and to discuss what improvement might be made for next year. If anyone has any helpful suggestions or comments, the committee would appreciate any input.



New CPCUs Maggie Steward (l) and Stephanie Ladson (m) with 1993 New Designee Rep. John Pyle (r) at the Chapters post-I-day reception.



At the Post-I-day Reception Chapter President Frank Mason, CPCU welcomes the new CPCUs to the Chapter and encourages them to become involved in Chapter activities.



New CPCU Scott Brookes receives congratulations from Chapter President Frank Mason at the I-Day Conferment Ceremony.



A table of new CPCUs at the I-Day luncheon seated with some Chapter dignitaries.

SCHOLARSHIP FUND

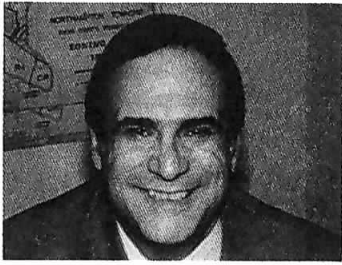
from: Tom Callahan, CPCU
Scholarship/Donations Committee Chairman



Do you ever think back to how you came to enter the insurance business? If you're like many people, it was very likely by accident. Perhaps, a friend in the business; a newspaper ad, or a recruiter brought you into the insurance world.

The Philadelphia Chapter for the CPCU Society thinks that it would be better all around if the process was more organized. We have a scholarship fund to assist college students interested in insurance with tuition and book costs. In this way we are more likely to get bright college graduates who are motivated and profoundly interested in insurance as a career. This benefits all of us in the long run.

The Harry J. Loman Foundation has a program to match funds so any contributions can be doubled. If you or your organization can contribute to the scholarship fund, please contact Tom Callahan at 610-560-5160 or Frank Mason at 610-687-6580.



From the Editor

by: Peter Palestina, CPCU

I hope everyone has started off the New Year in good spirit and health. The crossword puzzle this issue is CPCU 6 oriented (Law). I trust that you find this an enjoyable addition to the chaptergram but if you don't or have comments please let me know 610-834-1410.

Once in awhile I like to add a little levity to this column, so therefore I hope you find the following humorous. It's a list of definitions I ran across about a year ago. Source unknown.

Definitions

It is in process - So wrapped up in red tape that the situation is almost hopeless.

We will look into it - By the time the wheel make a full turn, we assume that you will have forgotten about it, too.

A Program - Any assignment that can't be completed by one telephone call.

Expedite - To confound confusion with commotion.

Channels - The trail left by inter-office memos.

Coordinator - The guy who has a desk between two expeditors.

Consultant (Or Expert) - Any ordinary guy with a briefcase more than 50 miles from home.

To Activate - To make carbons and add more names to the memo.

To Implement a Program - Hire more people and expand the office.

Under Consideration - Never heard of it.

Under Active Consideration - We're looking in the files for it.

A Meeting - A mass mulling by masterminds.

A Conference - A place where conversation is substituted for the dreariness of labor and the loneliness of thought.

To Negotiate - To seek a meeting of minds without knocking together of heads.

Re-Orientation - Getting used to working again.

Reliable Source - The guy you just met.

Informed Source - The guy who told the guy you just met.

Unimpeachable Source - The guy who started the rumor originally.

A Clarification - To fill in the background with so many details that the foreground goes underground.

We are making a survey - We need more time to think of an answer.

Note and Initial - Let's spread the responsibility for this.

Let's Get Together on This - I'm assuming you're as confused as I am.

See me, or let's discuss - Come down to my office, I'm lonesome.

Give us the benefit of your present thinking - We'll listen to what you have to say as long as it doesn't interfere with what we have already decided to do.

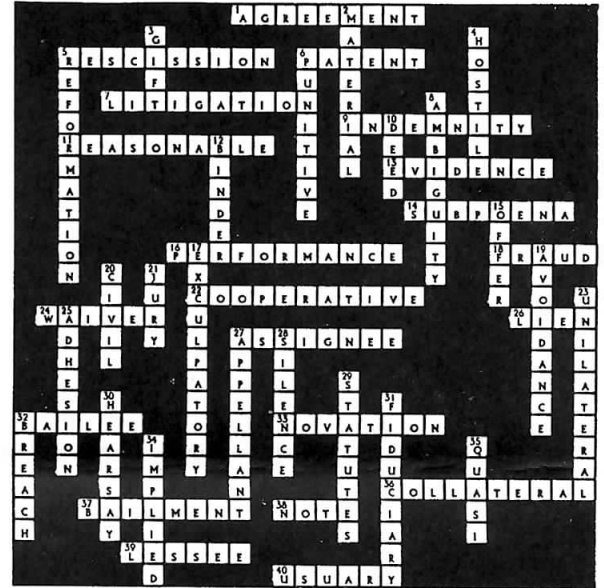
We will advise you in due course - If we figure it out, we'll let you know.

To give someone the picture - A long confused and inaccurate statement to a newcomer.

Forwarded For Your Consideration - You hold the bag awhile.

Approved, Subject to Comment - Redraw the D... thing.

Solution to the Crossword Puzzle From Page One



Your Membership Matters

by: Sandra L. Loebs, CPCU
Membership Chair 1994-1995



Please welcome three CPCUs who have transferred into our Philadelphia Chapter (as of our November records). They are Marsha Hardy, (from the New Jersey Chapter) John Kenny, Jr., (from the Orange Empire CA Chapter) and John Krail (from the Charlotte NC Chapter). And at the same time, we say Good Bye to three CPCUs who have transferred out of our Philadelphia Chapter: Karen Broback (to the New York Chapter), Michael McCluer (to the Central Jersey Chapter), and Howard Rogosa (to the Central Pennsylvania Chapter).

It's never too late to renew your membership in the CPCU Society if you haven't already done so. Although your first 1995 dues invoice was mailed last November, follow-up notices are also mailed in february, march and April. Remember, if CPCU dues for the calendar year 1995 are not paid by Mail your membership lapses, your membership benefits stop and you must reapply for membership. And New Designees please remember, your CPCU Society dues were waived for 1994, not 1995). Did you know you can pay your dues by VISA or Master Card? If you need a new invoice, or are not sure if your employer pays CPCU dues, you can contact the CPCU Society Membership Service at 610-251-CPCU.

Membership benefits Part 2: In the last Chaptergram, I noted the membership benefits of the National Job Network (for unemployed members), regular and lifetime Retired/Disabled Membership, and the CPCU Interest Sections. Continuing on....additional benefits of CPCU Society and Philadelphia Chapter membership include monthly breakfast meetings, the opportunity of networking, leadership opportunities, continuing education programs, CPCU Annual meeting and Seminars, local area workshops and seminars, CPCU Journal, CPCU News, discounted subscriptions to Business Week, national underwriter and certain A.M. Best publications and our own Philadelphia Chaptergram, to name just a few. The Philadelphia Chapter sponsors an annual spring golf outing and publishes a membership Directory. Also, the CPCU Society offers a MasterCard with competitive interest rate, group insurance, long term disability, supplemental hospital benefits, excess major medical, personal accident insurance, term life insurance and long-term nursing home care.

Moving? or just need an address correction? Look for Change of Address Forms at our next breakfast meeting or if you have any questions on any information mentioned above or any member service you can call me at 215-761-2959 or fax me 215-761-5479 or write to me c/o Philadelphia Chapter CPCU, P.O. Box 1499, Philadelphia, PA 19105, or you can contact the CPCU Society Membership Services directly at 610-251-CPCU.

THE ON-GOING SAGA OF "SEEPY SEEYOU"



Forgetting to pay the insurance premium is not covered by the errors and omissions policy!

The Temple Insurance and Risk Management Internship Program and You!

by: M. Moshe Perot, Ph.D., CPCU

Professor and Chairman, Department of Risk Management, Insurance and Actuarial Science at Temple University's School of Business and Management

What can you, as an insurance professional, do to recruit the best and the brightest young personnel to insurance industry?

It is now a standard complaint that the insurance industry's public image is low, that the industry is subject to fraud, that it provides less than satisfactory customer service, that the return on equity is less than in other service industries, and that it fails to attract high quality personnel into its ranks. Some of these complaints may be somewhat exaggerated, but we all have heard them for a long time. The industry as a whole has maintained armies of lobbyists and spent significant amounts of money on image marketing and political lobbying, yet we still have a problem with politicians and the general public.

I believe an important answer to the image problem, and indirectly to the other problems, has to do with educating the public about insurance. One surprisingly neglected place to do this is in the college or university. Teaching the principles of the insurance mechanism and the values of the insurance institution at the college level is essential in fundamentally changing the image of our industry. College students are the future consumers, insurance and risk managers, insurance executives and politicians who ultimately affect, directly or indirectly, our industry.

We at Temple are doing our share in this direction. We are one of the few schools in the U.S. that have a compulsory introductory level course in Risk Management and Insurance, which all incoming students in Business and Management must take. This accounts for more than one thousand students annually. Our own exit surveys tell us that students generally like the course and are favorably impressed with the importance of the topics discussed, particularly the value of the insurance mechanism and its institutions, and the practical implications of the course to their lives.

It is unfortunate that Temple is one of only a few schools where such a course is part of the core curriculum in Business, even though there are about 180 schools in the U.S. and Canada that have some courses related to risk management and insurance. But even this number remains very small when compared to the nearly 1000 schools of business in the U.S. or the some 5000 colleges and universities in the nation.

The colleges and universities that do teach insurance need your support, your voice, your advice, and your recruiting. This will not only strengthen departments like ours, but it may catch on with other educational institutions. When the insurance and risk major is highly thought of, it attracts better students who go out into the work force and improve it for all of us and for society.

Temple's internship program in insurance and risk management has been an excellent vehicle to accomplish the goal of attracting high quality students to our major. The program was established in 1985 with five internship positions. It was intended to be small and selective, to provide some of our best students with practical work experience in insurance, risk management, employee benefits and actuarial science. It has been so successful that the program placed 90 interns in more than 50 companies nationwide during the last calendar year.

Students in the program either work during the summer only or during the summer and part-time throughout the academic year. Not every student applying for an internship is placed in a position. Generally, students selected into the program must have junior standing, a grade point average of at least 3.0 and one or more upper level courses in Risk Management and Insurance in addition to the introductory course. Typically, two to three resumes are sent for each internship opening. The particular students sent depend upon the minimum qualifications requested by the sponsor. The first interview usually takes place in the offices of the Department of Risk Management, Insurance and Actuarial Science. We call every student and set up interview schedules for the sponsor. Generally, second interviews take place at the office of the sponsor and final decisions are made by the sponsor. The sponsor is free to negotiate wages, hours, and specific duties with the selected student.

The internship objective is to allow the students hands-on experience before graduation. It allows

the sponsor an opportunity to observe quality young people and measure their potential fit with the organization at very little cost and minimal risk. Not all interns are hired as permanent employees but many are. Our experience of the almost ten years shows that all parties benefit immensely.

It is correct that most sponsors of internships have been the large insurers and brokers, but many small companies, agencies, and even sole risk and insurance managers do benefit from an intern. Such interns are not only versed in all basic insurance and risk terminology, but also up to speed in the latest tools of information technology. They can help the sponsors to launch projects they wanted to do but never got around to, to create data bases, or to review existing programs.

Some organizations have mastered our internship program to the advantage of their regular working environment. Some have managed to develop structured program, while others have unstructured scheduled and tasks. A few use interns for specific tasks throughout the internship period, while others rotate the intern among many tasks or functions.

The concept is good, efficient, and cost effective to you and your company. The proof is in its success! It also allows the sponsor to invest in young people who tend to give back in terms of their affinity with your organization. Our experience shows that former interns who were hired to permanent positions by their organizations tend to stay longer with that group than other employees do.

The concept is flexible; no bureaucracy, no paper work, no reports and no time schedules. It works for you and for us. For us, it makes the insurance and risk major one of the most sought after and respected in the School of Business and Management. It has attracted national sponsors, scholarships, and excellent job prospects upon graduation. The demand for the major attracts competition among the best and the brightest students in School of Business and Management. Those who would tend to go into finance, accounting, marketing, or computer science are now risk and insurance majors in addition to majoring in finance, accounting, marketing, computers, and more.

Even if you do not have a place for an intern for a lengthy period, you may want to consider becoming a "mentor" for a day or week for a student. This is an alternative to encourage young people to try our industry and to like it. Many insurance professionals tell us that among all the advantages of the internship they enjoy the interaction with eager young people. They take great satisfaction in giving their time and knowledge to someone who wants to learn.

In sum, you can do a great deal to change our industry, its image and its personnel. Become an intern sponsor or a mentor! Try it, you will like it!

For more information call our Director of Internship and Placement, Dr. R.B. Drennan at 215-204-8894, fax: 215-204-4712, or write to him at: Dr. R.B. Drennan, Department of Risk Management, Insurance and Actuarial Science, 477 Ritter Annex (004-00), Temple University, Philadelphia, PA 19122



Moshe Perot, Ph.D., CPCU sat in on the December Board of Directors' meeting where he suggested more direct communication and interplay between the Chapter and Temple insurance students. He was invited to write an article for the Chaptergram to get his message across to our Chapter members.

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