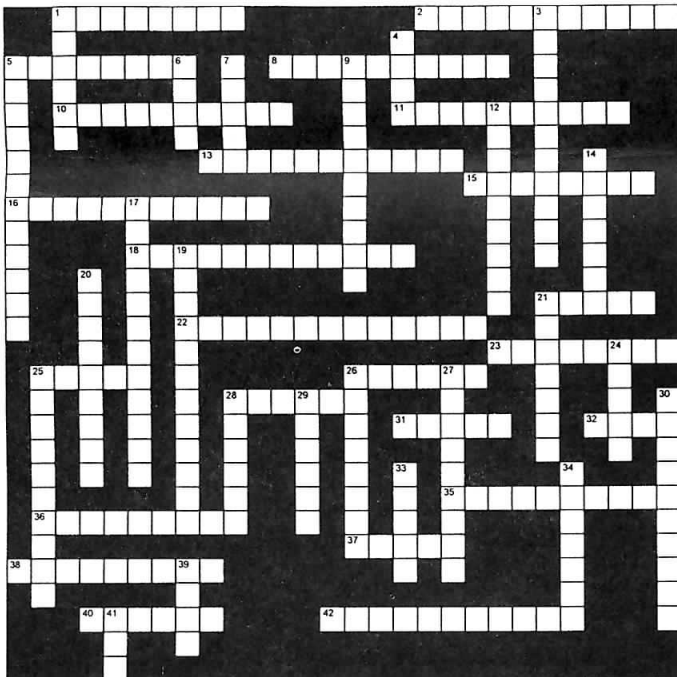


Chaptergram Crossword Puzzle

by: Pete Palestina, CPCU

Completed Puzzle on Page 7. *N.B.* This one is driven by the "Intro" Course. It should be easy for us CPCUs but why not make copies and pass it around to those in your office who are relatively new to our industry to see how they do and encourage them to enroll in institute courses.



ACROSS

- 1 committed by someone who breaks into a building and illegally removes property
- 2 used to gather information that will be used by underwriters
- 5 anyone who sells insurance
- 8 rating that allows premiums of large businesses to be modified based on past loss records
- 10 restricts terms of an insuring agreement by stating some exceptions to coverage
- 11 a portion of an insured loss that is not paid by the insurance company
- 13 insurance that an insurance company buys from another insurance company
- 15 anyone who presents a claim
- 16 similarity among insureds in the same rating class
- 18 personalizes a policy by tailoring it to fit the specific policyholder
- 21 a producer who represents the insurer in auto insurance, covers all perils except collision
- 23 provided by body shops to establish what it will cost to repair a vehicle
- 25 demand seeking recover for a loss
- 26 various causes of loss
- 28 statement that coverage is in force
- 31 authority given to a producer by the insurer to pay for settlement of small claims
- 32 includes most of the information con-

- cerning a particular applicant, prospect or policy holder
- 35 the process of carrying on a lawsuit
- 36 a system by which a risk is transferred
- 37 any act of stealing
- 38 to restore a person having a loss to the same financial position as before the loss
- 40 anything that increases the chance of an accident
- 42 property insurance clause that reduces the amount paid when property is underinsured

DOWN

- 1 the representative of an insurance buyer
- 3 portion of insurance premiums paid to producers as compensation for their sales and service
- 4 authorized power of an insurance company granted to agents to effect coverage
- 5 the person or organization that has purchased insurance
- 6 the possibility of financial loss
- 7 a statement regarding the premium that will be charged for certain coverage
- 9 on this date coverage on a policy will cease unless that policy is renewed
- 12 coverage for one vehicle being struck by another vehicle
- 14 an insurance company owned by the organization it insures
- 17 written provisions used to amend coverage in an otherwise complete policy when coverage is stopped during the policy term
- 19 when coverage is stopped during the policy term
- 20 a departure from bureau rates
- 21 a person who analyzes past loss data to determine future rates
- 24 process describing when home office staff underwriters examine files to see whether underwriting guidelines are being followed
- 25 found in insurance policy to explain duties, rights and options of an insured and the insurer
- 26 the person or business to which a producer hopes to sell insurance
- 27 means that a person is legally liable for injury or damage suffered by another person
- 28 has in its care, custody or control personal property belonging to others
- 29 loss or harm resulting from injury to a person, property or reputation
- 30 explains the meaning of certain words used elsewhere in an insurance policy
- 33 handles the important job of calculating insurance premiums with the aid of a manual and calculator
- 34 policy that combines a number of individual property and liability insurance coverages into a single policy
- 39 contains standard pre-printed wording that forms the bulk of the insurance contract
- 41 value of property after deducting depreciation from replacement cost

Peter F. Palestina, CPCU Selected as 1996 Franklin Award Recipient

The Philadelphia Chapter has selected Mr. Peter F. Palestina, CPCU to be the recipient of its prestigious Franklin Award. Mr. Palestina will accept the award at a luncheon presentation at the Doubletree Hotel located at Broad & Locust Streets, Philadelphia on Thursday, March 21, 1996.

The reception will begin at 11:15 am with the luncheon scheduled for 12:00 noon.

Announcement flyers and reservation forms will be mailed in the beginning of February and you will receive same shortly thereafter. If not, contact Peggy Dence, (215) 627-5306 for information and ticket orders.

We encourage all our members and friends of Pete to come out and honor him at this noteworthy event!

The keynote speaker for the event will be Pennsylvania Lieutenant Governor Mark S. Schweiker.

Turn to Pete Palestina's column on page seven, for the registration form and for more information.

From the Franklin Chair-Josephine Battisti, CPCU

When I contacted Pete to inform him of the fact that he had been chosen to receive this year's award, there was silence at the other end and then elation.

All of a sudden he said "But I'm on the Selection Committee" yeah, Pete but I do know a few of the exceptions, such as making our President Selector in Absentia.

Way to go Pete!!



PA Insurance Commissioner Linda Kaiser, CPCU addresses the I-Day attendees. Photos of I-Day activities appear throughout the Chaptergram



Lawrence Brandon, CPCU, Exec. VP Insurance Institutes moderated the panel on "The Future in a New Marketplace" at I-Day. The panel seated left to right were Quill Healey, CEO, Sedgwick James, Inc., Dennis Tizzio, CEO, Hartford Reinsurance Co., Thomas Tizzio, Pres., American International Group and Henry Good, Dir. of Insurance, Rohm and Haas.



The President's Corner

by: T.C. McDonnell, CPCU

Hope that all of you had a very pleasant holiday season. My term as President is almost half over. I believe that the saying is "Time flies when you are having a good time." There have been a number of things that I would like to share with you.

As most of you already know from reading the November issue of CPCU News, one of our Chapter members has been named National Standard Setter. This individual is Peter Palestina, CPCU, Vice President of Paist & Noe, Inc. Peter is a past President, a current Director for our Board, the Chaptergram editor and co-chair of our Fire Essay Contest Committee. I would like for the Philadelphia Chapter to be in a position of being able to nominate one of our members each year for consideration for this award. If you know of a candidate that deserves to be nominated for this prestigious award, please forward this information to me or to any of our Officers or Directors.

The Elementary School award winners of this year's Council Rock School District have been selected and awards delivered in two Award's Ceremonies in November. See article and photos for additional details. The Philadelphia School District winners have not been announced or recognized, as of the writing of this article, but all of the submissions are in. The program in the Philadelphia School District has spurred the active involvement of Harold Hairston, Fire Commissioner of the City of Philadelphia and he has been instrumental in enlisting the support of WADE Cablevision. In fact, the focus for the Fireman's Hall Museum has been changed to emphasize Fire Prevention and will probably be used more frequently by the Philadelphia School District for field trips. There is a lot of value to be gained from educating our children in Fire Prevention. This is one of the objectives of the chapter's Fire Essay Contest Committee. The Council Rock program is spearheaded by Peter Palestina and the Philadelphia program has developed from the work of Shiang Wu, CPCU, Director and Co-Chair for this committee.

Our Chapter will celebrate our 50th anniversary next January. Past President Art Hanebury, CPCU of Hilb Rogal and Hamilton Company is chairing the Planning Committee for this event.

There has been a good deal of active participation from some of the Chapter's 1995 New Designees. This Committee is Chaired by Sandra Loeb, CPCU and Chapter Secretary.

Attendance at our breakfast meetings is up and this is a good thing. Speaker arrangements and logistics are being handled by our Chapter 2nd VP and Programs Chair, Anne Kopanski, CPCU. Anne has recently taken a position with the Insurance Society of Philadelphia.

The Chapter has recently been informed that an Insurance Carrier in Central New Jersey is looking for some part time employees in their E&O unit. An announcement was made at the December breakfast meeting. I believe that, as a Chapter, openings in the insurance industry could be nicely matched with members, who are CPCUs and find themselves presently seeking employment. Apparently this type of information sharing is presently being used in the Central Jersey Chapter and has been used for some time with good success. If you are aware of an opening and would like to have CPCUs to select from, we will try to get the information to our members.

Thanks to all of our Officers, Directors, Committee Chairs, Committee Members, active members and our New Designees. You all are instrumental to the success of the Philadelphia Chapter of the CPCU Society. Please continue the fine work that has been started.

If anyone would like to reach me or any of the members of the Board, I can be reached at 215.761.1364 or if you'd like to write, address correspondence to:

T.C. McDonnell, ARM, CPCU
Continuous Improvement Director
President, Philadelphia Chapter CPCU Society
CIGNA Loss Control Services - .35 TLP
1601 Chestnut Street, Philadelphia, PA 19192-2357

National Director's Corner

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



Well, it's a new year again; 1996 and already racing toward 1997. If you're like me, by the time you read this, some of the new year's resolutions have fallen by the wayside. But - who says new year's resolutions can only be voiced on December 31st or January 1st? Why not right now, today, make a new - new year's resolution to become a "personal sponsor" to a CPCU student struggling to balance home, career and continuing education?

The CPCU Personal Sponsor Program is new and exciting. It can give you the opportunity to assist your chapter and the Society by mentoring a student working toward the designation. The Society is asking you as a CPCU who "knows the ropes" to be a sponsor for at least one CPCU candidate. You can share some of your experiences and help make the difference between failure and success for the candidate. Best of all, you'll be helping an insurance professional reach an important life time goal.

What Does a Personal Sponsor Do?

- Encourages individuals to enter CPCU/IIA programs or to resume studies
- Advocates the benefits of professional education and CPCU/IIA studies
- Provides study tips to students
- Provides support and motivation before exams
- Gives recognition to candidates after passing exams (or encouragement if exams must be repeated)
- Maintains ongoing personal contact with candidate

How Do You Get Started?

If you'd like to be a CPCU Personal Sponsor, just ask any chapter officer for the "Yes, I will" card and return it to the CPCU Society. They will match you up with a CPCU candidate who has requested a personal sponsor.

To get you started, the Society will send you a personal sponsorship kit with lots of information for both you and your candidate(s). They'll also send you a personal sponsorship lapel pin and list you in the 1996 Personal Sponsorship Directory, published in the CPCU News.

Sponsored By:

CPCU Personal Sponsorship is a joint program of the CPCU Society and the American Institute for CPCU. If you have any questions, please call (610) 251-2762. If you accept the challenge, this is one new years resolution you'll be proud to accomplish.

Happy New Year!



Peter Palestina, CPCU (left) receives congratulations from T.C. McDonnell, CPCU, President of the Philadelphia Chapter of the CPCU Society while presenting the CPCU Society "Standard Setter Award" during a recent Chapter meeting at the Doubletree Hotel in Philadelphia.

New Designee Chair's Column

by Sandra L. Loebs, CPCU



Welcome - Please welcome three New Designees who have transferred into The Philadelphia Chapter. They are Joseph Conway, Dawn A. Houpt and Brian Coyle. This brings our chapter total of New Designees to 129!

Reminder - The January and June New Designee Representatives are Val Ullman-Katz and Richard Ventura, respectively. They are your representatives who can provide a voice for the concerns and questions of all the new designees to the Chapter Board.

Membership and 1996 Dues - In order to become a member in the CPCU Society and receive it many benefits, you must first become a member by filling out an application for membership. And as a new Designee, your membership dues are paid for the calendar year in which you receive your designation, that is for 1995. Dues notices for calendar year 1996 were sent out at the end of 1995, and if you have not renewed, it's not too late. And you can also join the CPCU Society's interest Sections which have their own newsletter and information relating to a particular discipline within the insurance industry. Dues are \$25.00 per year. For more information, to receive an application for membership in the CPCU Society, or to inquire as to which employers pay the CPCU Society dues call the CPCU society at (610) 251-CPCU.

Thank You - To the New Designee Committee members who made the many reminder telephone calls for I-Day and for writing letters to the New Designees. Thank you again!

Resource Survey - If you are a New Designee who has not yet filled out a Chapter Resource Survey, please call Maggie Stewart, Chapter Resource Chair, at (610) 660-6881. We still have some 1995 Annual Meeting pins to give out for the completion of this survey. It's our way of knowing your interests and having someone contact you so that you can become involved in chapter activities.

Philly I-Day - Held on October 25, 1995 at the new Philadelphia Marriott Hotel was a huge success with roughly 70 of the 129 New Designees of the Philadelphia Chapter participating in the day's festivities including the Luncheon/Conferment honoring this year's new Designees. What was really remarkable was that this many new designees assembled in alphabetical order (with no advance rehearsal) ready to walk up on stage to pick up their diplomas.

Before handing out the diplomas, Chapter President T.C. McDonnell gave the following recommendations to the new Designees. *First* - to continue their studies throughout their working life in order to maintain the high level of technical competence expected from a professional, *second* - accept willingly the responsibilities of the CPCU designation that accompany its rights and privileges, *third* - become an active member of the CPCU Society, and *finally* - faithfully adhere to the highest ethical standards.

The General Session began with Linda S. Kaiser, Pennsylvania Insurance Commissioner welcoming the attendees and giving her opening remarks. Participants in the discussion on "The Future in a New Marketplace" included Henry L. Good, Director of Insurance at Rohm and Haas, Quill O. Healey, Chairman and CEO of Sedgwick James, Inc. Thomas R. Tizzio, President of American International Group and Dennis B. Zettervall, CEO of Hartford Reinsurance Company. The moderator was Lawrence G. Brandon, Executive Vice President at the Insurance Institutes. The three seminar sessions included: 1) Professional Liability: Can We Protect Ourselves, 2) Workers' Compensation: The Changing Scene and 3) A.M. Best's Perspective on Recent Industry and Rating Trends.

After the luncheon/conferment, new designees gathered for a reception as guests of the Philadelphia Chapter and were introduced to many of the Chapter Officers and Chairpersons.



Chapter President T.C. McDonnell, CPCU welcomes some of the Chapter's new CPCUs at the Chapter's I-Day reception.



New CPCUs Maureen Keeney (l) and Maureen Davis are all smiles for this photo taken at the Chapter reception after the I-Day function. We hope to see them get involved and attend Chapter meetings.

Workers Compensation Reform Discussed at November Breakfast Meeting

by: Harry L. Cylinder, CPCU



The speaker at the November meeting held November 16, 1995 at the Doubletree Hotel was Thomas R. Bond, Esquire, Senior Partner of Marshall, Dennehey, Warner, Coleman & Goggin. Mr. Bond devoted most of his talk to a summary of Pennsylvania House Bill 2216 recently introduced by representative Vladick.

If passed in its present form the bill would make major changes in the workers compensation process in Pennsylvania according to Mr. Bond. It would end or limit payment to retired employees by crediting Social Security, severance benefits and funded pensions against compensation claims. Injured employees would have the legal burden, under penalty of fraud, of notifying their employer of unemployment compensation or earnings they were receiving at the same time they were on disability, as well as updating the insurer every six months on the status of their employment, earnings and physical condition. Job availability would no longer be a criterion in determining compensation; partial disability would be determined by an employee's ability to perform gainful work whether or not the employer had work available.

A new method of establishing the average weekly wage by dividing the year prior to the injury into thirteen week periods and averaging pay within those periods would be established. Judges would no longer have unlimited discretion in dealing with evidence but all findings of facts would have to be supported by sufficient, competent and substantial evidence with any rejection of competent evidence explained. The Workers' Compensation Board would once more have power to reverse a judge's decision. The credit for establishing a safety committee would be ongoing and there would be mandatory premium discounts to employers with no lost time claims while those with two or more in a single year would be surcharged.

Questioned about the Bill's prospects, Mr. Bond said he expected opposition from claimants' attorneys but the Bill is supported by the Ridge administration. It should be possible to reach agreement on those parts of the Bill which are intended to end evident abuses of the workers compensation system. In a related question Mr. Bond said that while prosecution of fraud is increasing it has not been as actively prosecuted as it should be. The provisions of House Bill 2216 will make it easier to initiate prosecution for workers compensation fraud.



Thomas R. Bond, Esq., Sr. Partner, Marshall, Dennehey, Warner, Coleman & Goggin addresses attendees at the November Meeting on the topic of "Workers Comp. Reform."

Chapter "Fire Safety in the Home" Essay Contest Concludes 12th Year

Editor's Note: This was the 12th 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 Board Public Meeting of November 20, and the Northampton Township Board of Supervisors Public Meeting of

November 22. 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



Holding their awards are the Council Rock School District winners of the twelfth 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, 1st and 2nd grade level: Illysa Berkowitz (1st place), Julie Braverman (Most Creative), Lauren Brochman (2nd place), and Ryan Foster (3rd place). Second row, 3rd and 4th grade level: Stephanie Chesnov (1st place), Jill Pawlenko (Most Creative), David November (2nd place), and Anne Kogan (3rd place). Third row, 5th and 6th grade level: Brooke Braverman (1st place), Steven Blum (Most creative), Matthew Noggoh (2nd place), and Danielle Teschner (3rd place). Adults: left, T.C. McDonnell, CPCU, President, Philadelphia CPCU Society, Peter Palestina, CPCU, Vice Chairman Northampton Supervisors and contest coordinator, and Charlene Miller, School Board Director.

The awards were presented at the Council Rock School Board meeting of November 20th. First place and most creative finishers received a \$100.00 U.S. Savings Bond and a plaque. Second and third placers received a plaque. The students also received plaques and citations from the Northampton and Newtown Township Boards of Supervisors and State Representative Roy Reinard at the November 22nd Board of Supervisors Meeting.

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

Letter of Thanks from Council Rock School District

Dear Mr. Peter Palestina,

Thank you for once again providing the 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 our students look forward to each year. For our parents, school board, and community members, it is special to watch these "little ones" receive their awards.

Peter, once again thank you for your good work.

Respectfully,
David P. Blatt
Superintendent of Schools



Chapter President T.C. McDonnell, CPCU explains to the audience attending the November 22nd award ceremonies what CPCU and the Annual "Fire Safety in the Home" essay contest is all about.



Northampton Board of Supervisors, Vice Chairman Pete Palestina, CPCU and Fire Safety Essay Contest coordinator presents a first place plaque and township citation to Stephanie Chesnov at the November 22nd public meeting of the Northampton Township Board of Supervisors.



State Representative Roy Reinard congratulates Anne Kogan at the November 20th Northampton Township public meeting as Chapter President T.C. McDonnell calls the names. Along with Northampton Township public officials also on hand to participate were Newtown Borough Council President Frank Fabian and Newtown Township Board of Supervisors Vice Chairman Ray Goodnoe.



Winning students stand in front of their winning entries at The Northampton Township Public Meeting.

Here are the 1995 "Fire Safety in the Home" Essay Contest Winners from Council Rock School District

1st and 2nd Grade Categories



1st Place Winner
Ilyssa Berkowitz
Hillcrest Elementary



Most Creative Winner
Julie Braverman
Hillcrest Elementary



2nd Place Winner
Lauren Brochman
Rolling Hills Elementary



3rd Place Winner
Ryan Foster
Newtown Elementary

3rd & 4th Grade Categories



1st Place Winner
Stephanie Chesnov
Rolling Hills Elementary



Most Creative Winner
Jill Pawlenko
Rolling Hills Elementary



2nd Place Winner
David November
Goodnoe Elementary



3rd Place Winner
Anne Kogan
Rolling Hills Elementary

5th & 6th Grade Categories



1st Place Winner
Brooke Braverman
Hillcrest Elementary



Most Creative Winner
Steven Blum
Rolling Hills Elementary



2nd Place Winner
Matthew Noggoh
Goodnoe Elementary



3rd Place Winner
Danielle Teschner
Goodnoe Elementary

Philadelphia Chapter New Designees Receive Diplomas From
Norman Baglini, Ph.D., CLU, CPCU, President, Insurance Institutes at the Philly I-Day Luncheon



Gregory T. Cropp, CPCU



Dawn Houpt, CPCU



Maureen A. Davis, CPCU



G. Martin Irons, CPCU



Maureen C. Keeney, CPCU



Valerie Ullman-Katz, CPCU



Robert W. Moore, CPCU



Philly Chapter New Designees after receiving recognition and diploma at I-Day



From the Editor

by: Peter Palestina, CPCU

I'm at a Loss For Words!

I honestly don't know what to write about and given all the attention I've received lately, I find it difficult to write about myself. So instead of writing about the Franklin Award I thought I'd use this space for a small copy of the flyer that you have probably already received by now. Thanks to all who have made this possible!

The Philadelphia Chapter of the CPCU Society Proudly Presents
The Fourteenth Annual Franklin Award

The Award will recognize
Peter F. Palestina, CPCU
 Vice President of Paist and Noe Agency
 For Outstanding Achievement and Contributions

to
 The Insurance Industry and Insuring Public
 This Award will be presented
 at a special luncheon at
 The Doubletree Hotel located at
 Broad and Locust Streets in Philadelphia
 Thursday, March 21, 1996

Cocktails: 11:15 am and Lunch: 12:00 noon
 Keynote Speaker:

Pennsylvania Lieutenant Governor Mark S. Schweiker

Please make my reservations for _____ persons at \$30.00 each.
 Full tables of ten (10) or half tables of five (5) are available
 \$275.00 for a full table or \$140.00 for a half table.
 Make checks payable to: Philadelphia Chapter of CPCU
 P.O. Box 1499, Phila., PA 19105-1499
 Deadline: March 19, 1996

Name(s) _____

Firm _____

Address _____

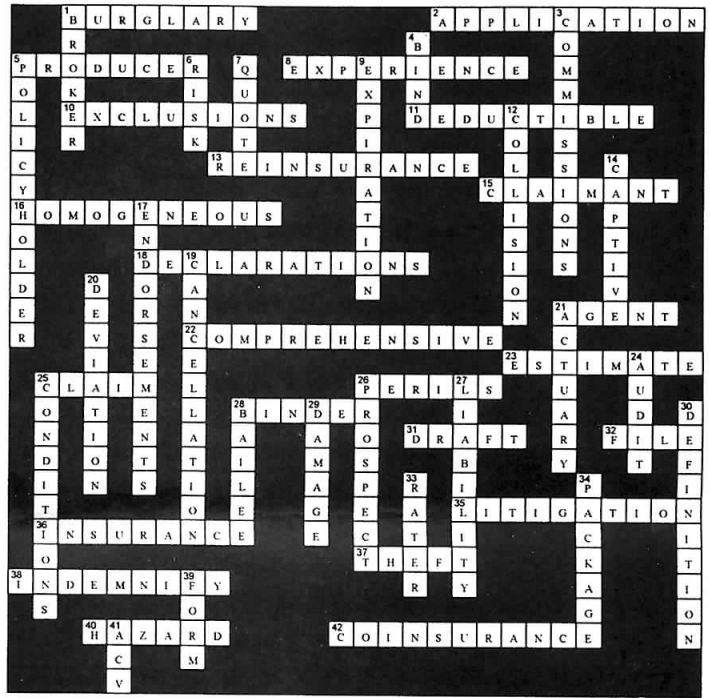
Phone (_____) _____

The Ongoing Saga of "Seepy Seeyou"



But just think of the advertising possibilities. "We've got you fully protected!"

Solution to the Crossword Puzzle From Page 1



New Advanced Risk Financing Techniques Workshop

by: Cindy Wolkiewicz, CPCU

The Philadelphia Chapter will offer a new workshop on February 28, 1996. This will be a morning program which will address Risk Financing alternatives such as: self-insurance; captives; finite risk transfer; derivatives and catastrophe insurance options.

The workshop will be held at the Doubletree Hotel. Please look for your registration form in the mail.



Table of new designees at I-Day.



More new designees attending I-Day.

True Integrity is Essential

by Rich Ventura, CPCU •
June New Designee Representative



Ethics. Integrity. The highest degree of professionalism. Faithfully serving the public and putting the interests of others ahead of your own. These basic tenets of professional conduct for those who hold the CPCU designation are for me, as a new designee, the things that most grabbed my interest during the conferral ceremony in Hawaii this past October. I thoroughly enjoyed the speakers and the seminars. They imparted information and ideals that were invaluable in assisting those of us who attended in attaining our personal and professional goals. However, I was reminded of the need to cement together the knowledge, education and experience that we have gained with a high code of professional conduct. In this article, I'd like to share some ideas concerning the meaning and nature of integrity and how important it is to embody this trait in order to advance both the CPCU professional movement and the image of the insurance industry.

We are already familiar with many words such as "Integrity", "Honesty" and "Loyalty". They have been impressed upon us as essential in both the establishment and maintenance of a sound insurance mechanism in specific as well as a stable society as a whole. But if these traits are words only and have not taken on depth and substance and become a part of our character and personality make up, then they are merely noise, clanging cymbals and vapid rhetoric. They have become meaningless, something to be mocked or laughed at as an atavistic throwback from a previously repressive and irrelevant age. But this should never be the case. For one thing, hypocrisy is easily detected by an observant and intelligent public. Those of us who are engaged in the business of insurance, an industry already under the microscope of public and private scrutiny, must be certain that we have embodied these traits in order to avoid any allegation of impropriety or having engaged in any activity that would besmirch our professional character as individuals and thereby tarnish the reputation of the industry. We can't help but be a reflection of the industry as a whole. However logically fallacious this trait of the human mind may be, many people draw broad generalizations from specific experiences. As we know, it only takes a few unethical lawyers, doctors or auto mechanics to give their respective professions a bad name.

People are quick to share their negative experiences with others. Consequently, it is of utmost importance that we as insurance professionals TRULY, in word and in DEED, reflect the highest degree of professional character as we deal with an already skeptical and well educated public. This holds true for all in the industry but especially those of us who hold the CPCU designation as we are those who have attained not only a high degree of specialized knowledge in the P&C field but also a critical awareness of the various pillars of professionalism that are essential if the public is to place their trust in us as individuals and in the industry as a whole. Because this is so vital in the continuity aspect of our industry, it is my intention to emphasize the need to possess integrity as the quintessential ingredient of our individual character if we are to be true professionals in reality and not in word only.

Integrity is related to the word "integer". Webster defines these words using similar terms such as "whole", "complete", or "unbroken". Along with meaning honest, upright and sincere, integrity also means being complete in the sense of not having a trait that would tarnish or adulterate that whole or

single-ness. It is the opposite of "duplicity" which is to have a double nature or to be double dealing. In other records, the person of integrity is one-faced, not two-faced. What others see is what you are. There is no deceptive, scheming or cunning trait in the person of integrity. As an example of applying this at the practical level, from the context of the parties to an injury claim, integrity means this:

1) the claims adjuster will not "low ball" the value of a claim or act in any way that is inconsistent with good faith and fair dealing; 2) the BI claimant will not exaggerate the nature and extent to his or her injury; 3) a treating physician will not pad bills or provide unnecessary treatment to a claimant who doesn't need it; 4) a plaintiff's attorney will not represent clients of dubious character or those whose "injuries" are of questionable nature. In short, truthfulness, honesty and the maintenance of a character of integrity will be more important than betraying principled conduct and selling one's soul for short lived personal gain.

From this example, it is not difficult to see how the insurance mechanism is damaged when any one of these parties is not exercising integrity. A dishonest adjuster or one who is overly zealous to make a name for him or her self by saving the company dime at the expense of a suffering claimant will damage both their own reputation and the carrier they represent. On the other side, whenever a fraudulent or exaggerated claim made, settlement and expense costs increase. Consequently, these costs can be passed onto the rest of the policy holding public in the form of higher rates. If these rates can not be approved, carriers may become insolvent or else availability and affordability problems may result. We have all seen personal lines carriers pull out of certain states because of sustained operating losses. It could be that a lack of honesty and integrity in those who have filed and assisted in creating fraudulent or exaggerated claims have impeded the insurance mechanism in the personal lines area from operating properly in many states and, as a result, a significant percentage of the honest policy holding public have been hurt. A person's actions are never performed in a vacuum and will always have an effect on others in some form or fashion. In the insurance context, dishonesty on a broad scale can have serious ramifications for the continued operation of an individual carrier, guaranty and funding mechanisms, and reinsurers as well as threaten the will being and financial security of the general public.

Of course many of us in the industry can't control forces of duplicity and dishonesty outside. Any effort in this direction, if it is to be successful, must begin with educating people about the dangers and consequences that will result when there is a lack of honesty and integrity in a significant number of people. Furthermore, the sine qua non of causing people to want to act with honesty and integrity toward the insurance profession is for us as insurance professionals and CPCUs to be sure that we have embodied these traits in ourselves. We want people to think highly of our industry and we can assist in the process by making others think well of us. As CPCUs, we can work to enhance both the public perceptions of ourselves as individuals and professionals and the industry in general by making it our goal to embrace a spirit of integrity. Let it be said that you are not only friendly, sincere, intelligent and educated but that you are honest, a true person of character, someone people know they can trust without question or reservation. The return on investing in integrity will be the dividends of a good reputation, increased referrals and professional growth while a lack of this key virtue will cost a good name, a job, and account, or even a business and, no doubt, cause an increase in bad faith. The cost of investing in integrity is low but the price for not exercising what is, without a doubt, the cornerstone upon which all true professionalism is built is potentially devastating. Remember, the Truth has proven itself to be inevitably unconquerable while the Lie will always cause us to hurt ourselves and others and this on a scale much wider than we realize.

PHILADELPHIA CHAPTER, CPCU

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PHILADELPHIA, PA 19105

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