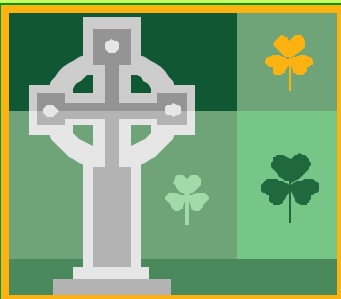


March 2007

Volume 1, Issue 3



President's Notes

March is upon us. That means warmer temperatures and “drum roll” Ethics Awareness Month. One of my favorite quotes regarding ethical decisions is one made by Walt Disney’s nephew, Roy when he said: “It’s not hard to make decisions when you know what your values are.”

Here are some examples of ethical behavior which I like to live by:

- Only make promises that you can keep.
- Fulfill all promises you make or explain why they cannot be fulfilled.
- Being honest in all communications.
- Accept only assignments that are within your realm of expertise.
- Never oversell your knowledge or abilities.
- Disclose bad news in a timely manner.
- Disclose unavoidable conflicts of interest.
- Admit when you do not know the answer to a question.
- Work through the proper channels to get something done rather than going around them.
- Maintain confidences.
- Quickly admit and rectify mistakes, don’t make excuses..
- Associate with others who are known for their ethics and integrity.
- Be active in organizations that support ethics and integrity in business (such as CPCU)!

People in my life who have consistently displayed these behaviors are great examples to me of ethical individuals. These are the people I want to emulate, with whom I want to do business. I am proud to say that many are my friends. Some have combined these traits with their in-depth and up-to-date knowledge of the technical side of the business to become the epitome of the true insurance professional. Conversely, I have found it wise to be careful when dealing with people who exhibit the opposites of these behaviors until they demonstrate that I can trust them. The insurance business inevitably presents conflicts of interest and the possibility of unethical behavior. However if we live by the above examples, we should never have an issue. As Will Rogers so aptly put it:

"I'd rather be the one who bought the Brooklyn Bridge than the one who sold it."

See you at the luncheon on the 21st.

**Byrd Horner, CPCU, ARM, CRM, CIC
President**

Inside this issue:

President's Notes	1
Regulation & Legislation	2
2006 Yorrick De Souza Award	3
Free Lunch Offer for CPCU Candidates	4
Candidate Development	4
March Luncheon Speaker/Patricia Gangi	5
Anthony Holly Memorial Hockey Game	6

Meetings & Events:

- *March 21, 2007*
- *April 18, 2007*
- *May 16, 2007*
- *October 17, 2007 I-Day*

SOCIETY OF CHARTERED PROPERTY CASUALTY UNDERWRITERS

Central Arizona Chaptergram

Regulation & Legislation



STATE

Several insurance related bills have recently passed through committee from their respective house of origin:

SB 1244 - Premium tax bill would lower the premium tax rate from 2.0% to 1.5% over five year.

HB 2720- would provide a premium tax credit for companies that have a certain number of employees at a single employment center in the state.

SB- 1596 – removes unnecessary and outdated provisions of the salvage title laws. It will eliminate needless administrative steps in claims processes.

SB -1118 was amended to eliminate the \$2500 threshold that must exist before a law enforcement officer will prepare a written accident report.

AZ DOT Offers New Online Services



The Arizona Department of Transportation (ADOT) recently announced a new group of online services designed to provide valuable assistance to insurance companies and their agents when serving their customers. On February 26, the following online services will be available for registered insurance companies and agents through the *EZ Insurance Industry Suite*:

- EZ Insurance Verification, a free service that will enable insurance companies and customers to verify proof of insurance that is currently on the Motor Vehicle Division database.
- EZ MVR Title and Registration Record, a \$3 fee that provides a modified title and registration record.
- EZ MVR Driver License Record, a \$3 fee that provides a 39-month driver license record.
- EZ MVR Lien Holder Record, a \$1.50 per transaction fee that provides key lien holder information on a vehicle title.

FEDERAL

Repeal of the McCarran-Ferguson Act - Both the Senate and the House are introducing legislation that would end the insurance industry exemption from antitrust laws. The 62 year old McCarran-Ferguson Act currently exempts the “business of insurance” from federal antitrust laws, to the extent that it is regulated by the states. Some insurance industry spokesmen have concerns that repealing this act could impact smaller insurers and make it more difficult to enter new markets. Much of this ado stems from the cost and availability of property insurance in coastal areas accusing insurers of antic ompetitive practices.

Surplus Lines - Legislation to streamline the regulation of multistate surplus lines risks and was submitted to the House. This bill would establish the insureds home state as the primary regulator for multistate risks, and would also charge that state with collecting and allocating any taxes. The legislation would also make it easier sophisticated buyers to access the surplus lines market.

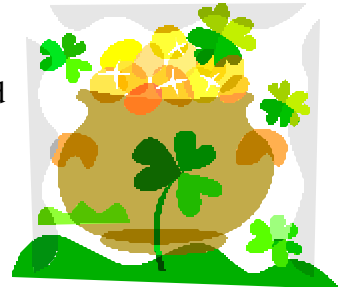
Diana Dean-Spurgeon — 2006 Yorrick De Souza Service Award Recipient

In 2003, the Central Arizona Chapter of CPCU created the “Yorrick De Souza Service Award” for extraordinary service and selfless contribution to the Central Arizona Chapter of CPCU. The award was created in recognition and remembrance of one of its very active members, Yorrick De Souza. Yorrick received his CPCU designation in 1999. He immediately became active in the Central Arizona Chapter, supporting their Good Works services, helping with I Day, and providing databases and spreadsheets for the Chapter’s various other activities. He could always be counted on to support a Chapter event. He had a passion for all that the Chapter stood for.

To recognize his hard work and his diligence, the Chapter began presenting the award in 2003. The first recipient was Yorrick’s wife, Genie De Souza. She had provided a significant amount of support to Yorrick for all his activities. The next year the recipient was Martin Beavers. The subsequent year Dorothy Harvey received the award.

The recipient for 2006 is Diana Dean-Spurgeon, CPCU, ASLI, CPIW, of Scottsdale Insurance Company. Diana has been very active in the Good Works Committee, first as a committee member and in 2005 as the Chair. She is now serving her second year as Chair of the Good Works Committee. The award was presented at the January 17, 2007 luncheon meeting by the speaker, Mike Miller, President of Scottsdale Insurance Company.

“Receiving the award is very special for me. I had worked with Yorrick De Souza at Scottsdale Insurance Company for many years. His wife, Genie De Souza, continues to work with me at Scottsdale Insurance Company. Receiving the award from our President, Mike Miller, made it even more significant. I was totally unaware of who the designated recipient of the award was to be, and feel very honored to receive it.”



March is Ethics Awareness Month

1. Which of the following has been found to be a true statement regarding ethics and the insurance industry?
 - a.) On average, insurance practitioners are more likely to act unethically in business practices than in purely personal situations.
 - b.) More than 50 percent of people in business indicate having observed one or more unethical or illegal acts in the past twelve months.
 - c.) Insurance practitioners believe that management’s emphasis on the bottom line is one of the main factors leading to unethical decision-making.
 - d.) All of the above are true statements.

Answer: d.



Free lunch for CPCU Candidates!

For the March 21st Central Arizona CPCU meeting, we are inviting all CPCU candidates and those who are seriously considering pursuing the CPCU designation to join chapter members for a free lunch at the Phoenix Country Club. Do you know someone who is pursuing the CPCU designation? Do you know someone who should be pursuing the CPCU designation? Invite them as your guest for lunch at the March meeting. This will be a great opportunity to network and to share your story about the value you have received by becoming a CPCU.

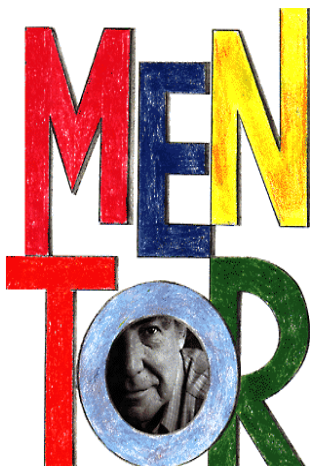
At this meeting we also celebrate “Ethics Awareness Month”. In honor of “Ethics Awareness Month” all CPCU candidates present will have their name entered into a drawing for a chance to receive an education grant valued at up to \$700. For more information contact Candidate Development Co-Chairs Julia Tallent (602) 861-8736 or Sandy Masters (480) 895-0109. When you RSVP for lunch, be sure to mention that you are bringing a guest.

**FREE
LUNCH**

Candidate Development

It is well known that most of life's lessons are learned outside the classroom...

What did you do to get where you are today? First you learned to walk, talk and manage daily activities by watching your parents. You learned how to fit in by watching your friends. You may have learned to sing or speak to a crowd by watching your favorite entertainer. Below is a list of Mentors and their protégés. Can you match the right number to the letter?



Mentor - Mentoree (sometimes called mentee)

- | | |
|---------------------------------|-------------------|
| a. Carroll O'Connor | 1. Neo |
| b. Rob Reiner | 2. Larry Hagman |
| c. Red Skelton | 3. Dwight Yoakum |
| d. Morpheus | 4. Brandy |
| e. Rubeus Hagrid | 5. You |
| f. Whitney Houston | 6. John Cusack |
| g. Buck Owens | 7. Harry Potter |
| h. You | 8. A new designee |
| i. Central Arizona CPCU Members | 9. Lucille Ball |

Whether you are looking for a mentor or to be a mentor the Central Arizona Chapter of CPCU is a good place to start. The insurance world is constantly changing and the better you adapt the better you are at serving your customers. Please share your expertise or desire to learn more with the Candidate Development Committee members so we can tap this valuable resource.

Answer Key: (a2, b6, c9, d1, e7, f4, g3, h8, and i5)

March Luncheon Speaker—Patricia A. Gangi



Patricia Gangi, EdD, is owner and principal consultant of Cornerstone International Training and Consulting. In business since 1994, Dr. Gangi delights in motivating people to move from compliance to magnificence in both their work and personal life.

Prior to opening Cornerstone, Dr. Pat served for six years as Director of Management Development, Quality Improvement and Training for an historic 5-star luxury resort and as the Manager of Education Services for a computer systems provider for the legal industry.

In addition to earning a doctorate in Instructional Design from Arizona State University, Pat has completed the Josephson Institute's certification program on Public Sector Ethics.

Pat is an active professional member of the National Speakers Association and an award-winning Distinguished Toastmaster (DTM). She speaks to organizations on a variety of topics including:

- *Positive Politics: How to Influence Workplace Change Without Losing your Soul!*
- From Compliance to Magnificence: Putting Virtue to Work at Work

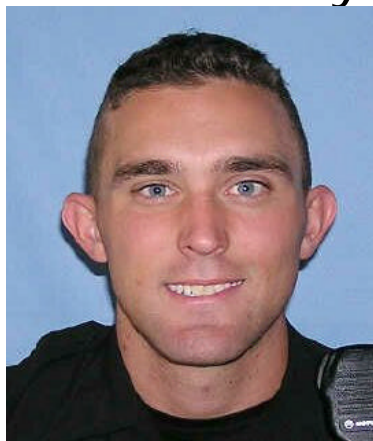
Since 2000, Dr. Pat has delivered over 350 workshops to more than 8500 participants. Major topics include workplace ethics, coaching, customer service, and emotional intelligence. Pat is often called upon to facilitate executive meetings, strategic planning sessions, team-building retreats and group presentations.

As an expert instructional designer, Pat creates customized workshops and seminars to meet each client's unique performance improvement needs. And, her work gets results! A customer service learning system Dr. Pat helped design for a major international hotel chain has had a statistically significant impact on guest retention. The program has since been distributed in 11 different languages.



Special Announcement

Officer Anthony Holly Memorial Hockey Game



🍀 Saturday, March 17, 2007 🍀

U.S. Airways Center

12:45 pm

Pyrodawgs vs. MCSO

\$20.00 per person

The "Pyrodawgs" (valley Police and Firefighters) will be playing "MCSO" (Maricopa County Sheriff Officers) in an event to remember and honor a fallen brother in public safety.

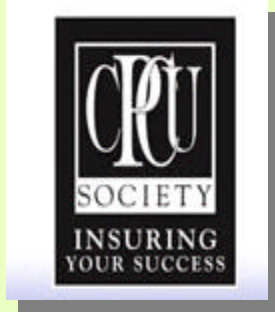
Proceeds will go to the Holly family. Each ticket includes admission to the Phoenix Roadrunners game that evening. Food and beverage concessions will be open during this event.

Tickets can be reserved in advance via email or purchased at the gate between 11:45 and game time.

Ticket requests or questions: Hockeycook25@yahoo.com



SOCIETY OF CHARTERED
PROPERTY CASUALTY
UNDERWRITERS



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We're on the web!
<http://www.azcpcu.org>

Luncheon Information:

From September through May, we hold a monthly luncheon at the Phoenix Country Club. The meeting starts at 12:00 noon and ends about 1:00 pm. There is an informative speaker for each meeting. The luncheon is held on the third Wednesday of the month.

The meeting is on the second level of the main building at N. 7th St and Thomas Rd.

Chaptergram Information:

Editor: Robee Berman, CPCU, CIC
roberta.berman@usaa.com

Article Deadline: The 20th of each month.

Chapter Officers & Directors

BOARD POSITION	NAME	WORK PHONE	FAX	HOME/CELL	EMAIL ADDRESS
President	Byrd Horner	623-215-1379	480-556-9384	480-596-8485	bhorner@mahoneygroup.com
Vice President	Danette Key	480-293-7083	480-293-7931	480-962-9040	danette.key.biux@statefarm.com
Secretary	Anita Johnson	480-293-6598	480-293-7926	480-283-9988	anita.z.johnson.bcf@statefarm.com
Treasurer	Rich Pineda	602-955-6622	602-955-6903	606-615-0407	rich@deanshomer.com
Past President	Kevin Norton	480-834-8139	480-844-2166	480-969-6315	knorton@dviaz.com
Chaptergram	Robee Berman	623-715-8133	***	480-248-7502	roberta.berman@usaa.com
Continuing Education	Vickie Smith	480-755-6852	***	480-964-5633	vsmith@wellingtonspecialty.com
Good Works	Diana Dean-Spurgeon	480-365-3460	480-596-3501	480-948-8647	deand2@scottsdaleins.com
Membership	Martin Beavers	480-948-8008	480-948-8192	602-329-3246	martinb@azcalinsurance.com
I-Day Director	Lisa Ronzo	480-365-3455	480-596-3531	623-587-5759	ronzol@scottsdaleins.com
I-Day Chair	Ken Sanders	480-720-3629	480-961-2918	480-961-2918	ksanders@cox.net
Visibility	Rich Pineda	602-955-6622	602-955-6903	606-615-0407	rich@deanshomer.com
Candidate Development	Julia Tallent	623-580-2041	877-658-2634	623-322-1698	jtallent@chubb.com
Candidate Development	Sandy Masters	480-895-0109	480-895-0764	610-389-6123	masters@cpuiia.org
Education	Chris Behymer	480-905-5059	480-951-9722	480-556-6625	cgbehymer@aol.com
New Designee	Available	***	***	***	
Webmaster	Mike Magick	602-863-8208	602-863-8586	623-376-6563	mmagick@cox.net
Regulation & Legislation	Marlese Polson	480-367-5384	***	602-677-0757	marljan@cox.net
Scholarship	Deidre Smith	480-293-8445	480-293-8444	602-714-0894	deidre.smith.c0e4@statefarm.com
Accountant	Mary Boyd	623-516-2242	623-580-9699	602-403-1594	mboyd4@cox.net