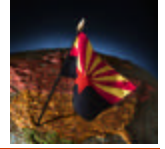


President's Note



Arizona Chapter Chaptergram

First, I want to thank everybody who attended our first meeting of the year. We did not know how the change in location would affect our attendance, so I was elated when the count came in at 90 people. That is more than our usual number, which may indicate that the change in location is more convenient for our members. I also know that there is a solid core of members who consistently attend, and I was pleased to see most of them there as well. And a special thanks for those who have a longer commute but took the time and effort to come out.

I'd like to take moment to give a special word of thanks to the entire Board of Directors for helping to get this year off to an excellent start. Over the last few years, under the leadership of Kevin Norton, Byrd Horner and Danette Key, we have worked very diligently in assembling a Board of Directors and developing a succession plan in order to maintain the great continuity of leadership that has been a trademark of our Chapter. We now have several individuals in the Chapter who are not only well qualified but actively serving who will be our leaders of the future.

Speaking of the Board, I also want to thank three individuals in particular for their outstanding work. First is our Vice President, Diana Dean-Spurgeon. Her efforts in obtaining the luncheon speakers, organizing the new location for the Board meetings and spearheading the upcoming Golf outing, among other endeavors, has been invaluable to us in keeping things moving along. We are fortunate to have Diana on board, and she will make a great President next year. Tim Goeller, who received his designation last year, has done an excellent job contacting and organizing the New Designees this year. We have a really great group, with one or two who have already committed to serving on the Board in the near future.

Lastly, I want to take a moment to thank Marlese Polson for her service over the years as Regulation and Legislative Chair. She keeps track of and reports on developments that directly affect us in both our business and personal lives. The next page of this Chaptergram contains an article addressing an important ballot Proposition (Prop. 201) that may have a dramatic impact if passed. I urge all of you to take a moment to read the article and assess the impact this may have on you. While we are on the subject of politics, I do urge everyone to get out and vote on November 4 in what will be an historic election.

In closing, I leave you with the following quote from that great philosopher, Groucho Marx. "I, not events, have the power to make me happy or unhappy today. I can choose which it shall be. Yesterday is dead, tomorrow hasn't arrived yet. I have just one day, today, and I'm going to be happy in it."

As always, it is an honor to serve.

Richard D. Pineda

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Meetings & Events:

- 10/15/08 Lunch Meeting—Chaparral Suites
- **11/12/08 I-DAY—Hilton Tapatio Cliffs**
- 12/17/08 Lunch Meeting—Chaparral Suites
- 1/21/08 Lunch Meeting—Chaparral Suites
- 2/24/08 Lunch Meeting—Chaparral Suites
- 3/18/08 Lunch Meeting—Chaparral Suites
- 4/15/08 Lunch Meeting—Chaparral Suites

Regulation & Legislation

The Arizona Homeowners “Bill of Rights” Proposition 201

This November voters will get to vote on Prop 201 called “Arizona Homeowners Bill of Rights”. The Bill contains significant revisions which address defect and design against builders of homes. The Bill is being sponsored by the Sheet Metal Workers union and is being opposed by the Chamber of Commerce, National Federation of Independent Businesses and the Arizona Contractors Association.

On the surface the bill appears to have major benefits, however to the extent that it removes options that benefit the homeowner it will certainly increase costs to the builder that will not benefit homeowners. Prop 201 will force homeowners to sue builders which will increase the time for problems to get resolved.

“Every builder of a dwelling must include a ten year warranty”.

Some significant highlights:

- Every builder of a dwelling must include a ten year warranty.
- Eliminates the existing rights of homeowners to use mediation or arbitration as a way to resolve problems which will force disagreements into court.
- Prohibits the builder from making repairs requiring them to pay third-party contractors.
- If a builder is sued and prevails in the lawsuit (regardless of how frivolous the lawsuit), they can never recover attorneys fees and costs.
- Extends the time for someone to sue over a defect from eight years to ten.
- Creates a new list of “damages” that homeowners are eligible to receive in court. These include consequential damages but not limited to things such as lost wages.
- Allows prospective buyers to sue. Someone who has never purchased a home can now sue.



Arizona – New Insurance Regulation

The Arizona Insurance Department has published Bulletin 2008-04.

It summarizes all major new insurance related legislation passed in the 2008 session. Most of this legislation has a general effective date of September 26, 2008.



Please refer to the bulletin located on the Department’s website for a more substantive list of changes made by this new legislation. The legislation includes but is not limited to amending provisions relating to technical changes and definitions; adding a provision authorizing Department of Insurance intervention when a property and casualty Insurer exhibits a trend of significantly declining Risk-Based Capital; and amending provisions relating to the requirements for organization of captive insurance companies.

An Image of Philadelphia



AZ Chapter Vice President, Diana Dean-Spurgeon (left) and reigning AZ Chapter President, Rich Pineda (far right) seen here with Regional Governor, Cindy Baroway at the 2008 annual convention recently held in Philadelphia.

October Charity - Friends of Animal Care and Control.

FACC's-Friends of Animal Care and Control's mission is to end euthanasia of healthy and adoptable dogs and cats in the community by raising funds to support the special programs of Maricopa County Animal Care and Control. Maricopa County Animal Care and Control is a full service animal organization offering shelter, adoptions, field services licensing and welfare programs. Maricopa County Animal Care and Control currently has three locations throughout the Valley.

For more information on Friends of Animal Care and Control, please visit their website at: <http://www.azfaccs.org/home.htm>

Raffle – The raffle prize for October will be a \$25.00 gift card from Best Buy!!

If you have a suggestion for a future charity, please contact:
Lisa O'Brien at: lisa.a.obrien.a936@statefarm.com or call 480-688-3981



October luncheon featured speaker—John Zicarelli



The speaker for Oct will be : John Zicarelli, PhD, FCAS, CFA.

John is the VP of Strategy and Risk Management at Scottsdale Ins Co. Before moving into the Strategy arena, he had been the chief actuary for many years at Scottsdale Ins Co. He will discuss the recent “buyout” of AIG – why it was necessary, why \$85 billion, and the impact on the industry.

Continuing Professional Development - a.k.a. “How Do I Get to Eat lunch First?”

The **Continuing Professional Development (CPD) program** recognizes professionals who keep their knowledge current and their skills sharp through career-enhancing activities. By participating in this advanced program, you will set yourself apart as a progressive CPCU who is committed to lifelong learning. Our CPD program is ideal for CPCUs at every career level, from recent graduates to seasoned professionals.

Qualifying for Recognition

To qualify for CPD status, you must earn 60 points every two years. Points are awarded for a variety of activities—passing exams or courses, teaching, writing, conducting research, serving in industry organizations, serving as graders or on IIA/AICPCU Exam Review Committees, attending chapter meetings, CPCU Society Center for Leadership courses, workshops, and more. The CPD application lists a wide variety of activities with corresponding point values.

Applying for CPD

It is easier and more convenient than ever to track the extra activities and educational events in which you participate to maintain your CPD status. Simply log into your record at www.cpcusociety.org, and bring up the CPD application. You can scroll down and see the various categories and points awarded for each activity. Follow the prompts and fill in your activity information. The convenience of this application is that you can fill it in, online, as you complete the various activities. Once you have acquired 60 CPD points, and it is within 30 days of your date of expiration, you simply click the “Submit” button, and your application is automatically sent to the American Institute for CPCU, where it will be processed. You will still receive a congratulatory letter from the American Institute after you have been CPD qualified. If you would like a copy of your application for your records, be sure to print it out prior to submission. You will also be informed of your new expiration date, which is approximately two years after your qualified date. **Please read the specific directions** *prior* to filling out your online CPD application.

You can also download a copy of the CPD Application (pdf) to complete and return by mail.

For information regarding qualifying activities or questions about point values, or to check the status of your submitted application, e-mail Chris Quay at quay@cpcuiia.org at the American Institute for CPCU, or call (610) 644-2100, ext. 7667.

CPD qualifiers get to be in lunch line first.

**If you're not CPD qualified,
don't wait—participate!**



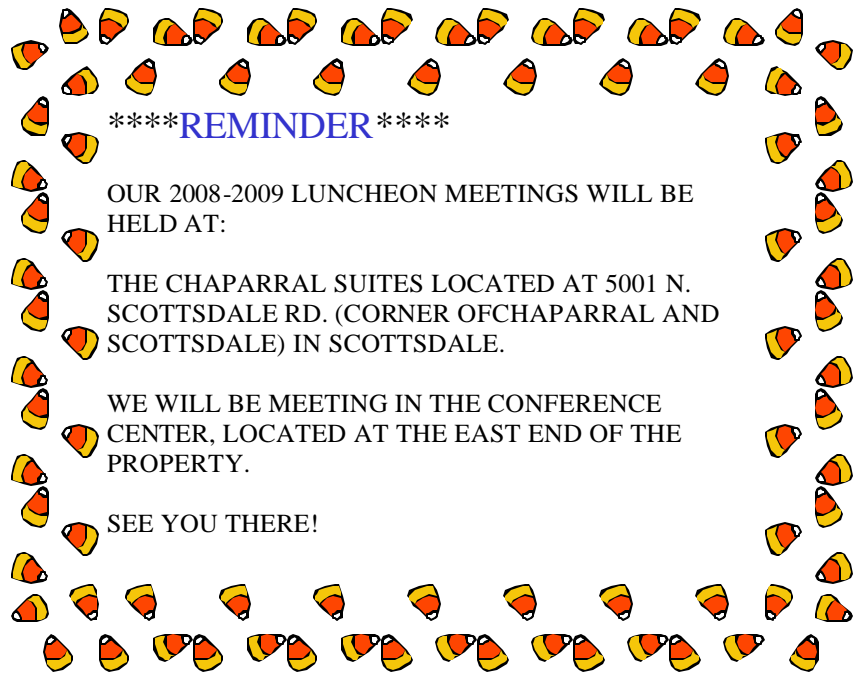
SOCIETY OF CHARTERED PROPERTY
CASUALTY UNDERWRITERS

AZ Chapter of CPCU
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www.azcpcu.org

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www.azcpcu.org]



******REMINDER******

OUR 2008-2009 LUNCHEON MEETINGS WILL BE HELD AT:

THE CHAPARRAL SUITES LOCATED AT 5001 N. SCOTTSDALE RD. (CORNER OF CHAPARRAL AND SCOTTSDALE) IN SCOTTSDALE.

WE WILL BE MEETING IN THE CONFERENCE CENTER, LOCATED AT THE EAST END OF THE PROPERTY.

SEE YOU THERE!

Save The Date!

The second AZ CPCU Golf Outing will be on May 8, 2009. It will be at Starfire Golf Club at Scottsdale Country Club – same course as last year. Starfire is on Hayden between Shea and Cactus. Anyone is welcome to play. So start gathering a foursome and mark your calendars.

And now for some golf news : Diana Dean-Spurgeon made a hole-in-one at Continental Golf Course on Sept 18. It was hole #14 – 135 yards. She used a 5-wood. Way to go Diana!



The Arizona Chapter was founded in 1955 as the Central Arizona Chapter of CPCU.

Central Arizona's sister CPCU chapter the Southern Arizona Chapter merged into the Central Arizona Chapter and in 2008 the combined chapters were officially renamed as the Arizona Chapter of the CPCU Society.