



LOS ANGELES CHAPTER

January 2009

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UPCOMING EVENTS

February 10, 2009

LA Chapter Meeting

"Anatomy of an Arson Claim"

Presented By

Ulises Castellon,

CPCU, RPA of

Fire Cause Analysis

Macy's/Sheraton Plaza

711 So. Hope St

Downtown Los Angeles

11:30 am-1:30 pm

March 7, 2009

LA Foodbank

Refer to Page 2 of this

Newsletter for further details.

March 10, 2009

LA Chapter Meeting

Ethics

Macy's/Sheraton Plaza

711 So. Hope St

Downtown Los Angeles

11:30 am-1:30 pm

March 22, 2009

Pasadena Marathon

Refer to Page 2 of this

Newsletter for further details.



PRESIDENT'S CORNER

*By Terri Ulbricht,
CPCU*

Happy New Year to all! Trust everyone had a wonderful holiday season.

How many of you use the New Year's holiday as a time to reflect on the past, analyze both your personal and business accomplishments and create your business and personal objectives for the coming year? Is our world spinning so quickly that we find the ability to conduct this type of exercise challenging?

To help us in this exercise, I refer back to my favorite book, "The 7 Habits of Highly Effective People" by Stephen Covey. The first three habits are Be Proactive, Begin with the End in Mind (long term goals) and Put First Things First (short term goals).

For years, I wanted to learn how to play the piano. I'm sure many of you will agree that wanting to take lessons and actually taking them are two different things. I finally wrote down this goal last year and, to my amazement, it is now a reality. The short term goals went like this:

Last year a friend was moving and needed to find a good home

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for her piano. For the price of having it moved, it was mine.

The next step was having the piano tuned or more appropriately, finding someone who tunes pianos and making an appointment. I finally got to this step earlier this month.

Then, armed with the names of piano teachers, I found someone close to home willing to take an adult student.

I had my first piano lesson last Sunday and am now driving my neighbors crazy with my practicing.

Quite often, we may commit to too many goals with little to show at the end of the year. What is the one area in either your professional or personal life that you would like to focus on? As Covey recommends, Begin with the End in Mind or stated differently, what is one's perception of one's vision in life.

I may not be ready for a recital at Carnegie Hall this year but, I'm enjoying and keeping my saw sharpened with all there is to learn. That, my friends, is good for business.



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Regional Governor

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“Obstacles are those frightful things you see when you take your eyes off your goal.”

.....Henry Ford
Ford Motor Company Founder



**ALL INDUSTRY
DAY
2009**
*I-Day
Chairman
Andy Zagrzewski,*

*CPCU, CLU, ChFC
Farmers Insurance Group
San Gabriel Valley Chapter*

Planning is underway for this year's I-Day. We are looking for volunteers to assist us with the many things that need to be accomplished for this important and worthwhile event. If you are interested in helping, you can contact me at andrew_zagrzewski@farmersinsurance.com

**VOLUNTEER
OPPORTUNITIES
LA CHAPTER GOOD WORKS
PROJECTS**

LA REGIONAL FOODBANK

Join your fellow CPCU's at the Los Angeles Regional Foodbank on Saturday, March 7, from 8:45 am to 12:00 noon. Play an integral role in fighting hunger while having fun. Volunteers will label, pack and sort food for needy families, individuals, children, and seniors in our community. Volunteers must wear close toe shoes and be at least 14 years old (sorry, no exceptions). Wearing clothing with CPCU Logos is a suggestion to "Spread the Word".

For further information, contact Paul Wagner at 213.630.2420 or pwagner@genre.com

CITY OF HOPE TOUR

Join us for an educational tour and lunch at the City of Hope on May 12 from 12:00 noon to 3:00 pm. This tour will replace our May Chapter Meeting.

For further information, contact Paul Wagner at 213-630-2420 or pwagner@genre.com

**COME JOIN OUR CHAPTER
FOR THE
PASADENA MARATHON**

Our very own chapter marathon runner, Tessa Lucero, CPCU will be competing in the Pasadena Marathon that was rescheduled to March 22, 2009. This inaugural Pasadena Marathon was canceled in November due to fires and bad air quality.

The Los Angeles County CPCU Chapters are banding together to work a water station for both chapter visibility and community service.

If you are interested in volunteering to hand-out water to the runners, please go to the link below and follow the instructions to sign up as part of our group. We are listed as the LA County CPCU Chapters and the password is "cpcuchapter":
<http://pasadenamarathon.org/support/volunteer.php>

We have requested and been given the first water station, which means we must be there between 5 and 6 am but, we should be done by 9 am. First stop is at mile 1.5, at Lake and California; this is also the turn-around for the 5K. The race starts at 6:30 am so the first runners should be passing before 6:38 am. Even the slowest participant should be past this point by 8 am.

Water and cups will be provided. We only have to show up, pour water, offer water to the runners, and do a little clean-up. We wouldn't want to leave the streets of Pasadena a mess.

Wear a CPCU shirt, cap or anything with a CPCU Logo if you have something and come join us to help with the Pasadena Marathon.

For more information, contact Joyce Elzouki at jelzoukizouki@boltonco.com or Tessa Lucero at tessa.m.lucero@marsh.com



“STACKING” OF LIMITS- AN UPDATE

By George Wallace
CPCU, JD

Wallace, Brown & Schwartz

Court of Appeal Calls for “Stacking” of Limits Across Multiple Policy Years in Toxic Cleanup Case.

The Stringfellow Acid Pits of Riverside County have been spawning or spewing litigation for decades, with battalions of lawyers arguing over when, how and by whom the site must be cleaned up and over to which of the responsible parties' insurers must bear what portion of the cost. In 1983, the State of California filed suit against numerous defendants that it blamed for conditions and discharges at the site. Ironically, that action led directly to a 1998 ruling that *the State itself* bore much of the culpability. The State, unsurprisingly, turned to its various liability insurers, which led to even more litigation over those insurers' responsibilities.

A number of the insurers extricated themselves via summary judgment. Others settled. In May of 2005, the Riverside Superior Court ruled that the insurers that remained in the case were required to cover the State's cleanup costs at Stringfellow. However, because of the manner in which the court calculated the available policy limits and applied offsets for payments made by the various settling insurers, the State ultimately found itself the proud possessor of a judgment in its favor for: **\$0.00**.

The State promptly appealed the judgment and on January 5, 2009, the Fourth District Court of Appeal issued an epic 76-page decision, [State of California v. Continental Insurance Company](#) (Case No. E041425), reversing the lower

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court's calculation of the amount of the available policy limits.

The trial judge had concluded that all losses at Stringfellow are the result of a single “occurrence,” and that the maximum amount *each* insurer could be responsible to pay was the policy limits for a *single* policy period. If the policy had been renewed for subsequent periods, no additional limits were available even though the covered damage continued in to those subsequent periods.

The Court of Appeal agreed that only a single “occurrence” is involved. The court disagreed, however, with the conclusion that only a single policy period's limits are available from each insurer. Instead, the Court of Appeal ruled that when an insurer has issued a policy over several policy periods, during each of which covered damage was accumulating, the limits available in each period must be “stacked” on the limits available for each other period to determine that insurer's maximum responsibility. Explaining its reasoning, the court wrote:

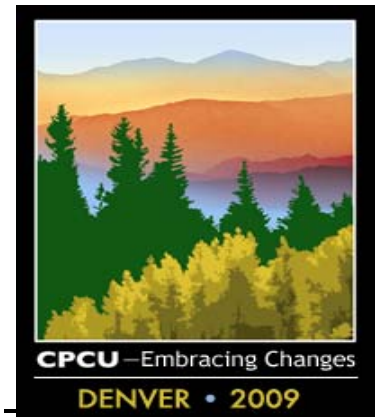
“If an occurrence happens entirely within one policy period, the insured has paid one premium and can recover up to one policy limit; however, if an occurrence is continuous across two policy periods, the insured has paid two premiums, and can recover up to the combined total of two policy limits. We see nothing unfair or unexpected in this.”

The State's claims against the insurers who extricated themselves by motions for summary judgment were argued before the California Supreme Court the following week, and a decision should issue by early April. Meanwhile, it is probable that some or all of the insurers involved in this latest decision will also be seeking Supreme Court review.

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And so the Stringfellow saga continues, and continues, and continues.

Postscript: How long have the various Stringfellow disputes been going on? In a case of “everything old is new again,” California's current Attorney General Edmund G. “Jerry” Brown, Jr., appears in the long list of attorneys representing the State in this case. Jerry Brown was *Governor* of California back in 1981 when Stringfellow was first designated as the state's “top priority site” for cleanup. Given ongoing rumors concerning his intentions in 2010, Brown may be Governor *again* when, if ever, the various Stringfellowian lawsuits finally come to an end.



The 65th CPCU Society's Annual Meeting and Seminars will be held in Denver, Colorado from August 29 though September 1, 2009.

Mark your 2009 Calendar now and start your budget planning for this one-of-a-kind event to sharpen your professional skills that will keep you on the “cutting edge”.

Details can be found at the CPCU Society's website, www.cpcusociety.org/





LOS ANGELES CHAPTER MEETING

DECEMBER 9, 2008



Cathy Galarneau from St Anne's told us about St Anne's and the wonderful work they do to improve the life of unwed mothers. Cathy showed an informative video about St. Anne's. Very impressive facility.

Attendees donated money and various items including toys to make a nice Christmas for the mothers and their children at St. Anne's that filled a table. Donated Items were also delivered direct to St. Anne's with the help of LA Chapter Members Bill Panzera, CPCU and Bill Di Salvo, CPCU.



Bill DiSalvo, CPCU, LA Chapter.



(l to r) LA Chapter Eunice Downing-Jackson, CPCU and Kumi Ritchey, CPCU.



LA Chapter John Chesebrough, CPCU and Cathy Galarneau from St. Anne's.



(l to r) Terri Ulbricht, CPCU, Cathy Galarneau, St. Anne's, Reiner Braun, CPCU, Cedric Nellum, CPCU and Jim Brown, CPCU. LA Chapter.



LOS ANGELES CHAPTER MEETING

JANUARY 13, 2009



Ken Bettencourt and Sylvia Marjoram from American Business Bank told us about **Credit Liquidity and the Role of Banks**. They pointed out the importance of qualifying for a loan which includes the five “C’s” of credit, Character, Capacity, Collateral, Capital and Conditions. Banks must go back to basics. American Business Bank does just that by specializing in business banking. They have an enviable track record that is the result of old fashioned banking practices. American Business Bank has a direct banking personal relationship with their clients and does not need Government Bailout help.



(l to r) Terri Ulbricht, CPCU, LA Chapter President, Ken Bettencourt, Sr. Vice President, American Business Bank, Sylvia Marjoram, Regional Vice President, American Business Bank and Rod Simonds, CPCU, LA Chapter who invited American Business Bank to the meeting..



A thought provoking topic.

ARE YOUR MEMBER RECORDS UP-TO-DATE?

Member records change because of relocations, job changes and new e-mail addresses. Please notify your Chapter Office and the National Society when changes do occur. By keeping your record updated, this ensures that you will continue to receive mailings of announcements and current events.

To update your record at the National Society, go to the Society's website at www.cpcusociety.org or call 800-932-2728, option 4. To update your Los Angeles Chapter Record, go to lacpcuchapter@aol.com or call 818-349-5127. Thanks for your help.



The Los Angeles Chapter has received the highest **Gold Level** of recognition for achievement from the CPCU Society for six consecutive years.

IS YOUR LICENSE UP FOR RENEWAL?

Take a look at the CE credits you will need for your license renewal. Then, check out what IEA has to offer with online instructor-led courses and live classroom lectures. Download the new 2009 catalog and the spring 2009 poster listing all of our programs including dates and locations at www.ieatraining.com/

For further information, visit IEA's website at www.ieatraining.com or call us at 800-655-4432.

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