



# **Guide for Managers and Mentors**

## **Week 4 Commercial Property Part 2**

## Week 4 - Commercial Property- Part 2

Week 4 of the Insurance Professional School continues the deep-dive into Commercial Property Insurance, providing participants with in-depth knowledge and application of commercial property coverages.

### Learning Objectives:

After completing this three-week unit, participants will:

- Understand commercial property concepts
- Understand commercial property insurance contracts and be able to analyze them for coverage and gaps
- Know how to identify property exposures and matching coverage to the needs of a client or prospect
- Be able to apply the coverage concepts and forms to real-world situations

### Topics Covered this Week

#### Commercial Property – Part 2

BPP Limits of Insurance and Deductible

BPP Loss Conditions and Additional Conditions

BPP Optional Coverages

For each of the topics above, participants:

- Read the applicable modules from The Institutes to learn the fundamental concepts
- Viewed videos from UGA faculty that further explained the concepts and provided examples
- Took quizzes to assess their understanding of the concepts
- Applied the concepts to the Bulldog Mechanical case study
- Worked with their Study Group to determine how policy conditions apply to case study scenarios

### Commercial Property Insurance - Part 2 - Summary

Part 1 of the Commercial Property unit began with essential concepts including types of property, causes of losses, financial consequences of losses and how a Commercial Package Policy is put together. Participants then delved into the Building and Personal Property (BPP) Coverage Form, learning what property is covered, what property is not covered and additional coverages and extensions. The three Causes of Loss Forms (Basic, Broad and Special) were then covered in detail.

The Commercial Property unit continued this week with BPP Limits of Insurance and Deductible, Loss Conditions and Additional Conditions, and Optional Coverages. The important concepts of limits, deductibles, coinsurance, actual cash value and replacement cost were explained and clarified with examples. Participants worked through several examples to understand how different factors affect loss payouts.

Loss Conditions and Additional Conditions, and Optional coverages were also covered this week. Participants met in their small groups to determine how the policy language and conditions apply to the case study.

Next week, the third and final week of the Commercial Property unit, the participants will examine the Commercial Property Conditions and Common Policy Conditions forms. Commercial property endorsements and factors affecting commercial property premiums will also be covered. The unit concludes with additional practice in determining whether the BPP covers a loss.

**In-Agency Assignment**

The participants were given this In-Agency assignment to work on over the three-week Commercial Property unit (due March 9). The assignment is designed to reinforce and build on what the participants have learned using real property losses. It will also enable them to connect with internal resources and better understand the culture and unique ways in which your firm operates.

Commercial Property Unit: In Agency Assignment	Manager/Mentor Tips
<p>Identity a team that is currently managing a client’s commercial property claim. It may be an unusual and/or large claim or a typical claim that happens with some frequency in your office.</p> <p>Ask for details of the claim and the commercial property policy forms. Review the policy forms. Is there coverage? Why or why not? Meet with the claims specialist and/or others from the account team to discuss their analysis of coverage for the loss.</p> <p>Ask to attend any calls/virtual meetings with the carrier(s) and the client. Listen for unfamiliar phrases, including contract terms, and make a note to investigate after the call. In addition to the insurance details, pay attention to how your colleagues navigate and/or negotiate any friction with any stakeholders.</p>	<p>Your participant may not know who to reach out to regarding an active commercial property claim, particularly if they are new to the firm. This is even more difficult for them if they have been working remotely.</p> <ul style="list-style-type: none"> <li>• Explain how claims are managed in the firm.</li> <li>• Help them identify who could assist them with the assignment and make an introduction.</li> </ul>

## Reflection/Action Plan

At the end of each unit, participants are asked to reflect on what they have learned and proactively think about ways they can use the content in their day-to-day activities. This Reflection/Action Plan can be a useful tool for managers and mentors to help frame a discussion with the participant. Some suggestions and tips are provided below:

Reflection/Action Plan Questions	Manager/Mentor Tips
What are your key takeaways from what you learned in Part 1 of the commercial property unit?	<ul style="list-style-type: none"> <li>• Discuss content and takeaways</li> </ul>
What follow-up questions do you have, especially areas specific to the way things are done within your firm?	<ul style="list-style-type: none"> <li>• Answer follow-up questions and/or direct employee to appropriate SMEs.</li> </ul>
Who are your key resources on this topic (within your firm and your external network)?	<ul style="list-style-type: none"> <li>• Encourage the participant to think of additional resources they can go to when working on commercial property accounts. This could include specific account teams, carrier partners or other individuals in their network.</li> </ul>
What are your next steps? How do you plan to use what you learned in your day-to-day work? What specific accounts or prospects come to mind?	<ul style="list-style-type: none"> <li>• Review with participant.</li> <li>• Example activity: Identify existing or prospective property accounts that the participant can work/practice with. Have them review the property policy forms to identify limits (specific, blanket), deductibles, coinsurance requirements, policy conditions and optional coverages.</li> </ul>