

FIREARM LIABILITY PRODUCT

RESPONSES TO INQUIRIES FROM SIAA WEBINAR ATTENDEES

1. ***I thought this excluded professional exposure such as gun club members? Please explain.*** The Firearm Liability product was designed to protect insureds from Civil or Criminal actions brought against them as a result of their use of a legally possessed gun in self-defense. You are correct in assuming that use of a firearm within the individual's professional capacity would not be covered. If the self defense incident took place at the gun club and involved an insured, there may be coverage if it was not part of the services of the gun club.
2. ***Also do you have print brochure available to market?*** Yes. We will release the marketing piece as part of the SIAA webinar scheduled for November 30, 2016.
3. ***Can a police officer get this coverage?*** Yes. With that said, coverage would not extend to his/her capacity as a law enforcement officer. Also, these individuals may be required to carry their service weapons and could be involved in protecting citizens while off-duty; these situations fall outside the intended scope of coverage.
4. ***So this is a flat rate per coverage level no matter who you are? No rating based on credit or other rating criteria?*** Policies written on an individual basis have no rating modification factors or scheduled debit/credits. We do have some rating flexibility available for groups (gun clubs, firing ranges, firearm manufacturers, etc.).
5. ***Is defense inside limits or outside?*** Defense costs are included within the limits of liability.
6. ***Available in all states?*** Yes, all states and the District of Columbia.
7. ***Does this cover the insured outside the home – assuming concealed carry license?*** The policy defines an "Act of Self-Defense" as an act of defending oneself or others by the threatened or actual use of a legally possessed firearm. This definition also includes the use of a firearm in rendering emergency assistance solely at the request of a uniformed law enforcement officer. The act of self-defense can occur inside or outside of the home.
8. ***Do you need a residence license to sell across state lines?*** The sub-producing agent must possess the authorities to write casualty insurance business in the state in which the policyholder resides. There is no need to maintain a surplus lines license; Rockwood Programs maintains this authority in all 50 states and the District of Columbia.
9. ***Is the policy on admitted paper in all 50 states?*** No. The business is written on a non-admitted (surplus lines) basis through Lloyd's of London.
10. ***Does it matter how many guns are present in the household?*** No.

11. **Who do we go to for the website link to add to our agency website for on-line self-processing? Is the site link branded to our agency?** Contact Darryl McCallin at Rockwood Programs (Darryl.McCallin@rockwoodinsurance.com). There will be more information available during the November webinar. The links are tailored to the individual agencies (logo and contact info).
12. **Does this liability policy also pertain to air firearms?** Yes. A “Firearm” is defined as a weapon from which a projectile is discharged by gunpowder or by pressure of compressed air.
13. **Is this pricing per firearm or inclusive for all owned firearms?** All owned firearms. Remember that the coverage is designed to protect the insured from legal actions brought against them from the use of a gun in self-defense – not the weapon itself.
14. **I noticed there is an application question concerning any affiliation with huntsman groups or sportsman groups. Does this affect the rates or inclusions for the insured or the agency?** No. The question was added to help the agent identify a potential group plan opportunity.
15. **In a state like Arizona where the insured does not need a permit to conceal carry, how does this effect coverage?** The insured is covered under the terms of the policy so long as he/she is legally authorized to be in possession of a firearm at the time the incident occurs.
16. **With the varying gun laws from state-to-state, does this cover you nationwide? Outside the country?** The coverage territory is defined in the policy as being the United States of America, including its territories and possessions.
17. **Does this include a hunting liability?** No. Coverage is limited to the use of a legally possessed firearm in self-defense.
18. **If Homeowners coverage is available will this policy be excess?** The policy wording contains “Other Insurance” provisions that outline how the coverage will respond if other valid and collectible insurance is available to the insured.
19. **Does this coverage cover accidental discharge off premises and in particular competitive shooters?** No. Coverage is limited to the use of a legally possessed firearm in self-defense.
20. **Do you have to have a list of household members for the policy (named insureds)?** No. An insured is defined as the Policyholder named on the Declarations as well as a resident of the household of the Policyholder on the date of the occurrence, provided such resident is related to the Policyholder or under the age of 21 and in the care of the Policyholder.

21. ***Does this cover concealed carry incidents outside the home? How is this different from homeowner's coverage?*** The policy does address covered acts of self-defense outside the home. Many traditional homeowner's policies specifically exclude intentional acts – leaving the individual personally liable for legal defense and settlement/award costs. The Firearm Liability product addresses this coverage gap.
22. ***The premium is double the U.S. Concealed Carry Association premium. Why?*** This is a difficult question to answer, as we are unable to secure a complete copy of the coverage form utilized by this organization. The information provided on the USCCA website only contains extracts from the policy document. For example, Delta Defense LLC is listed as the policyholder of a group plan. An overall Aggregate Limit of Insurance could restrict the coverage available for the member. Our offering is issued individually – with individual aggregate limits. The policy wording the USCCA does provide references a claim retention amount (unspecified); our product has none.

Remember also that the Firearm Liability product available through Rockwood is being marketed through independent insurance agents. The acquisition allowance embedded in the premium must be sufficient to cover the expense of sub-producer compensation.

Of course, the true litmus test of any insurance product is how well it responds to a loss. Our Claims Administrator is Wilson Elser, a nationally recognized law firm with approximately 800 attorneys in 31 offices across the United States and in London. Wilson Elser are specialists with exceptional experience in aggressively and professionally handling litigation and other proceedings so that the insureds get the most effective defense.

Knowing who your defense team will be before a loss is one of the most differentiating features of our Firearm Liability product.

23. ***What about accidental discharge outside the home?*** Accidental discharge of a firearm is not an act of self-defense, so it would not be covered.
24. ***Under the influence exclusion, is there a blood alcohol limit threshold?*** The policy excludes any claims arising out of any criminal act performed by the insured while under the influence of alcohol, intoxicants, narcotics or any other controlled substance. The application of this exclusion will be dependent on the definition applied by the appropriate local, state, or federal laws, regulations, rules, or ordinances.
25. ***California is looking to pass Proposition 63, which makes possession of ammunition without a receipt, as well as a maximum limit, will be a criminal offense. Would this provide defense?*** No. Coverage is limited to the use of a legally possessed firearm in self-defense.

26. **Are there any discounts for clients completing firearms courses or gun-related memberships?** Not at this time. We do have rating flexibility for plans written on behalf of an entire group.
27. **Is Compensation While In Court on a reimbursement or indemnity basis?** Reimbursement basis.
28. **What does the theft cover?** In the event that a firearm legally possessed by the insured is lost, stolen or loaned out and subsequently used to cause bodily injury or property damage by someone other than the insured, the policy will respond. Coverage is subject to the limits shown on the Declarations.
29. **Are there exclusions for NFA items?** No. Coverage is provided so long as the insured may legally possess the firearm.
30. **Would a business owner of a pharmacy or check-writing business be covered if they fire in defense of themselves or employees?** The scenario described here is akin to a professional exposure; that is, the gun is being used to protect an individual's business interest. The policy is intended to cover private acts of self-defense. The business should have its own CGL coverage for business-related incidents.