LOUDOUN MUTUAL
PIPELINE
A publication for and about the agents and employees of Loudoun Mutual Insurance Company



Embracing Legacy and Looking Forward

By Todd Robertson, President
todd.robertson@loudounmutual.com

IT IS WITH immense pride and a deep sense of responsibility that I write to you today as the new President of our Loudoun Mutual Insurance Company. As we celebrate 175 years of service, I am honored to embark on this journey with you, continuing the legacy and culture that have defined Loudoun Mutual throughout the years.

As we observe the culmination of 175 years of resilience, commitment, and enduring success, the story of our insurance company is not merely a narrative of policies and claims, but a testament to the lasting spirit of adaptability and foresight. From our humble beginnings in 1849, Loudoun Mutual's journey included many milestones marked by challenges and opportunities. We have remained true in our mission to aid our policyholders when the unexpected happens.

I would also like to extend a huge thank you to all who helped us celebrate our 175th anniversary. Seeing former employees, directors, and agents reminiscing about the "good ole days" to the younger generation strengthening existing relationships and creating new ones, it was truly heartwarming to witness.

Celebrating 175 years of our company's journey is not just a testament to its longevity but a tribute to the dedication and hard work of many. From our original founders who had the vision to our existing policyholders, agents, employees, and valued business partners who have contributed along the way, each person has played a vital role in shaping our story. As we reflect on this milestone, I am reminded that our success is a collective achievement, built on a foundation of trust, empathy, and mutual respect. It is through these collaborative efforts and the enduring support of our policyholders that we have not only survived but thrived throughout the years.

As we begin the next chapter of our journey, we carry with us the lessons of the past and the aspirations for the future. Embarking upon our next 175 years, we strive to embrace diversity and inclusivity, recognizing the importance of serving diverse communities with tailored insurance solutions. We aim to leverage emerging technologies to gain efficiency, enhance customer experience, and anticipate developing risks without losing sight of our founding principle; we remain committed to providing our policyholders with peace of mind for generations to come.

In closing, I extend my deepest gratitude to all those who have been a part of our story – our employees, agents, partners, and policyholders. It is through your unwavering support and dedication that we have been able to write this remarkable chapter in our company's history. As we look ahead to the next 175 years, I am excited about the opportunities that lie before us. Together, we will continue to build upon our legacy of strength and stability, while embracing change to ensure we remain your trusted partner for generations to come.

SUMMER 2024

IN THIS ISSUE

Embracing Legacy and Looking Forward	1
Dog Days of Summer	2
Consistent Hard Work = Enduring Success	3
Nancy Milbourn	3
Risks Worth Noting	3
Understanding the Bigger Picture	4
Summer Tips and Tricks	4
Equipment Breakdown and Service Line Coverage	5
Milestones & Accomplishments	5
Q1 Charity Fundraising Overview	6



By Chuck Good, Vice President & Marketing Manager
chuck.good@loudounmutual.com

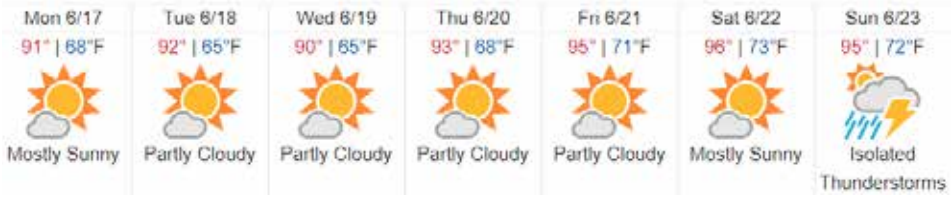
AS THE "dog days" of summer approach, we have come to expect extreme and weather-related events. The rising of the star system, Sirius, is linked to heat, thunderstorms, and overall, bad luck. As I write this newsletter on the morning of 6/17, this week's forecast shows no signs of altering the course of history…at least with the heat.

Before the end of the month, a few of our policyholders will have missing shingles due to windstorms and hail damage, and I am certain we will have a couple of equipment breakdown claims due to failing HVAC systems.

Just as the timing in the rise of the Sirius star system has shifted, so have the weather patterns in Virginia. Concerning the peril of windstorm, this cause of loss is the most frequent claim reported over the past 5 years at Loudoun Mutual. The cherry on top of that is the fact that windstorm claim severity is up 21% since 2020, driven by increased labor and roofing material costs.

At Loudoun Mutual, we are currently reviewing and considering a shift in our mandatory higher wind/hailstorm deductible map. Additionally, a review of the all-peril deductible is warranted as inflation has eroded this risk mitigation and cost control management strategy. Aligning deductibles for the mutual benefit of both parties protects the company from small, frivolous claims while rewarding the policyholder with lower insurance costs. The initial focus will be to address the homeowner line with the January 2025 rate book. Finalized details will be shared later in the year, starting with the Annual Agents Meeting at Wintergreen Resort on October 3rd.

7-day forecast for Waterford, VA:



Strong production has continued through the first half of the year as several agencies are enjoying pre-pandemic levels of production with Loudoun Mutual. I have been impressed by not only the quality of business being written, but the diversification of our portfolio due to growth in the dwelling fire, bed & breakfast, and commercial property lines of business. Along with competitive rates and great service, a key contributor to this success has been the Nineteenth Annual Sales Contest where production has picked up even more. The last day to submit business for the sales contest will be Sunday, July 28th.

The number of agencies qualifying for Wintergreen will also be strong and let this serve as a reminder that the number of rooms available is limited. To ensure each qualifying agency has the opportunity to attend Wednesday festivities, we kindly ask you to be considerate when making your reservations, but to also be punctual. In the past, Dot has somehow managed to make accommodations for all that want to attend our annual celebration, but we have gotten close to pitching tents and sleeping under the stars!

Last, July 1st marks a new rate book that includes the component of insurance scoring for homeowners, a new homeowner tier (Value tier) to go along with a homeowner base rate



increase of 2% and territory adjustments between +1% to +3% in the areas of Chesterfield, Hampton, Danville, and Martinsville.

We are thankful for the momentum built in the first half of 2024 and remain optimistic that we can reverse the curse of Sirius. Thank you for your business!



Consistent Hard Work = Enduring Success

By Kimberly Fry, Vice President, Finance

kimberly.fry@loudounmutual.com

I RECENTLY HEARD a quote from Dwayne "The Rock" Johnson that really resonated with me. According to the Rock, "Success isn't always about greatness. It's about consistency. Consistent hard work leads to success. Greatness will come." As I sit down to draft this article and think about all the challenges that 2024 has thrown at myself and at Loudoun Mutual, I think about the many successes of 2024. On a personal level, I signed up for and ran three races in April for a total of 19.3 miles. If you had asked me at Wintergreen last year if I was a runner, I would have told you, only if the building is on fire. On a professional level, this past week we celebrated Loudoun Mutual's 175th Anniversary and the title of our anniversary publication is Enduring Success. I think that Loudoun Mutual's Enduring Success is a testament to the quote that consistent hard work leads to success.

When looking at the financial results for 2024, Loudoun Mutual is hopefully on the cusp of seeing success from all the consistent hard work of our employees. Whether it is marketing (fair rate setting and agency relationships), underwriting (reviewing and accepting appropriate risks), claims (fair and timely settlement of claims), integrated services (everything from payments to claims notices and everything in between) and accounting (prompt posting of payments, reinsurance accounting and expense management), everyone is consistent in providing a successful quality experience. The first quarter was a bit rough for Loudoun Mutual but as the sales contest continues and more premium is earned on the summer renewals, we hope to financially have a great year. Regardless of the financials, I know that because of Loudoun Mutual's consistent hard work, this company will be an enduring success for another 175 years and continues to be a great place to work with some of the most endearing and kind people in the world. In summary, here is a financial snapshot through May 31:

	Year to Date through May 31, 2024	Year to Date through May 31, 2023
Total Invested	106,177,918	99,011,889
Total Admitted Assets	120,012,784	114,026,885
Underwriting Profit (Loss)	(2,519,329)	1,382,002
Investment Income	2,336,218	660,179
Net Income (Loss)	(145,985)	1,643,851
Combined Ratio	108.2%	94.3%

Nancy L. Milbourn

November 15, 1960 - May 23, 2024



IT IS WITH great sadness that we announce the passing of Nancy Milbourn. She is survived by her son, Collin, and several siblings, cousins, nieces, and nephews.

Nancy was a lifelong resident of Leesburg, Virginia and came to work at Loudoun Mutual in 2006. She cared deeply about Loudoun Mutual's mission of providing exceptional service to our policyholders. During her career at Loudoun Mutual she worked in Claims, Integrated Services, and Accounts Payable. Nancy had a strong love of plants and always shared her passion for potlucks with her fellow coworkers. Nancy left a legacy of what Loudoun's culture of caring meant and will be missed by all that knew her.

Nancy was greatly comforted by the care she received from Blue Ridge Hospice. During the Third Quarter, the employees of Loudoun Mutual will focus on fund raising for Blue Ridge Hospice in Nancy's memory. Please join us, if you would like. **https://brhospice.org/donate/**

RISKS WORTH NOTING

- **Commercial building containing a fitness center and beauty salon.**
- **Light manufacturing building where silicone molds are made.**
- **$1.6M home with stucco exterior written with mold exclusion.**



Understanding the Bigger Picture

By Tim Koppenhaver,
Executive Vice President, Underwriting Manager
tim.koppenhaver@loudounmutual.com

IN EARLY JUNE, I was asked to attend a few events that focused on the heavy issues our industry is facing right now. First, I joined other Virginia-based insurers on a trip to Capitol Hill to advocate for four important topics – curtailing duplicative data calls from the Federal Insurance Office, maintaining access to personal data for underwriting purposes, thwarting third-party funded litigation to keep court settlements down, and advocating for the right to repair automobiles using independent shops. A week later, I attended an AAIS product summit in which emerging issues were debated including e-bikes, solar panels, modern fire mitigation, flood risk challenges, and internet-connected homes.

You might wonder why little old Loudoun Mutual would be so concerned about such broad industry topics. We don't write auto insurance, for instance, so why are we on Capitol Hill fighting for consumer's right to repair? Or spending time learning about the challenges of flood-prone risks?

It's easy to stay focused on the day-to-day underwriting challenges that Loudoun Mutual faces locally – making good decisions that align with our underwriting guidelines in Virginia. But our underwriting guidelines, focused mostly on property exposures, cover just a thin slice of the risks our greater industry insures. Some of our partners, like reinsurers, and of course, our agents, deal regularly with issues beyond our appetite – like the automobile consumer's right to repair or finding coverage for homes in flood zones.

It's important for Loudoun Mutual to understand the bigger picture when underwriting risks by being aware of the challenges our partners face. Knowing the pressures our reinsurers are under from third party litigation funding, for instance, or how agents are trying to piece together an entire account beyond just the slice that Loudoun Mutual can offer, helps the whole process run more smoothly.

So yes, integral to our underwriting process is our willingness to traipse around Capitol Hill or attend product summit meetings so we can more supportively and holistically make decisions about the exposures we're asked to insure.



Summer Tips and Tricks

By Luis Manzano, IT Director
luis.manzano@loudounmutual.com

SUMMER'S HERE, and so is the summer sales contest! To help you achieve your goals, I've put together some essential tips and tricks for navigating BriteCore, our policy management system.

Get to Know the Interface: Familiarize yourself with the main menu, dashboards, and key features. BriteCore is designed to be intuitive. If you use Microsoft's Edge or Google Chrome zoom option, you may notice the main "red" menu disappears. Simply click the 3 lines on the top left of the screen to access the main menu again. BriteCore was built from the ground up to fit many different screens and adapt to many different settings depending on the end user's preferences.

One of the most important sections in BriteCore is the CSR Dashboard; you will find this section under Reports, click the dropdown next to Agency Experience and select CSR Dashboards. In this section you will find policies in pending cancellation, expired policies and policies cancelled for non-payment. As an additional tip you can narrow your search in the main policy search screen by selecting policy status and checking the relevant category such as active, rejected, submitted, etc.

Let's talk about Loss Runs for a moment, if you navigate to the Reports section you will find a link to the Loss Runs section. Simply enter the policy number, include start and end dates and the system will return a report in pdf format with the loss details. Simple and easy to use.

And finally, if you have any questions or need assistance, please do not hesitate to contact us at (540) 882-3232 or send us an email at **support@loudounmutual.com**.





Refresher on Equipment Breakdown and Service Line Coverage

By Kerri Guild, Inside Claims Supervisor

kerri.guild@loudounmutual.com

WE GET A LOT of questions from agents and insured's on whether or not to submit a claim that could potentially be covered by the equipment breakdown/service line endorsement. This endorsement is provided through Hartford Steam Boiler (HSB), who determines if coverage exists. While Loudoun Mutual can offer advice on coverage, we cannot say for certain if coverage will exist under the endorsement.

Equipment breakdown endorsement provides coverage for appliances, machinery, HVAC units, water heaters, etc. which suffer a sudden or accidental mechanical breakdown, electrical breakdown or bursting, cracking or splitting event. The endorsement does not cover damage due to wear and tear. For example, if a claim is submitted for an HVAC unit and the technician determines the evaporator coil is leaking freon due to pinholes, this claim would be denied. Pin hole leaks are caused by wear and tear which happen over time and are not considered a sudden or accidental event.

The equipment breakdown endorsement does not provide coverage for equipment damaged by a covered loss under the main policy. Damage from surge or lightning would not be considered an equipment breakdown loss. Some items to consider before submitting the claim would be:

- Does the insureds policy contain the EB/SL endorsement?
- Would the main policy form provide coverage for repairs?
- Did the damage occur suddenly and/or accidentally?

Service line coverage is defined as exterior underground piping and wiring owned by the insured. Coverage can exist when a leak, break, tear, rupture or electrical arcing occurs to a utility line on the exterior of the dwelling. If the damage in the line occurs under the structure or past the point of connection to the main service utility line, HSB would not cover the damages. Additionally, HSB does not provide coverage for any damage to the structure resulting from the break in the line such as water damage.

Important items to consider when submitting a service line claim are the following:

- Did the break in the line occur outside of the dwelling the line services?
- Is the line repair the insured's responsibility or the municipality the structure is located in?
- Did the damage occur suddenly and/or accidentally?

It is possible for the insured to have a portion of the claim covered by HSB as well as the main policy. This would be considered one claim as it is a related occurrence. In regard to the deductible, the larger between the main policy and the endorsement would be applied to the total loss amount.

As always, if you have questions regarding any coverage or whether or not to submit a claim, please feel free to contact our office. We will be more than happy to give our advice!!

Milestones and Accomplishments



Christine (Chris) Dalton

Chris began her career at Loudoun Mutual in 1989 as a file clerk. Throughout her 35-year career at Loudoun, Chris has embraced opportunities, accepted challenges, and recently celebrated her 35th year of service to our policyholders. In Chris's current position, underwriter, she continues to serve both our insureds and agents with empathy and understanding. Thank you for your three and a half decades of service to the policyholders of Loudoun Mutual Chris!



Stacy Harrison

Since joining us in 2004 as an underwriter, Stacy has exemplified dedication, expertise, and a genuine commitment to the policyholders of Loudoun Mutual. Throughout her two decades of service, Stacy has not only risen to the role of Integrated Services Supervisor but has also continued to contribute actively in underwriting, serving both our policyholders and agents with high standards of care. Thank you Stacy for your 20 years of service to the policyholders of Loudoun Mutual!

Q1 Charity Fundraising Overview: Veterans Moving Forward

By Rachel Saunders, Business Analyst

Our employees donated $830.90 to Veterans Moving Forward (VMF) this past quarter! VMF is a local, small business/501c3 charity organization whose purpose is to train service dogs that assist veterans with mobility, mental health, anxiety, PTSD, and other unique situations a veteran may struggle with when they return home. While working with this amazing company, we had an on-site demonstration from an amazing dog (a 100+ pound black lab) who was trained to do so many amazing things. He could flip light switches, retrieve meds/water/other necessary items, and hit Handicapped door buttons. He also was able to detect PTSD warning signs before an attack set in and then distract his veteran before the full brunt of the attack set in.

We already knew we were working to support a fantastic organization, but seeing the training in action made us all appreciate how hard these ladies work to get the dogs trained. VMF currently has 65 veterans waiting to be paired with a dog who is trained to meet their needs. There are 13 dogs in training (ranging from 8 weeks to 2 years old), which is the most pups they've ever trained simultaneously. The VMF organization is a worthy cause if you are looking for a Virginia company with a meaningful mission to support! Visit https://vetsfwd.org/ for information on how to donate or volunteer. Here are some photos from the VMF on-site visit/training demo.





LOUDOUN MUTUAL
INSURANCE COMPANY
Post Office Box 58 • Waterford, Virginia 20197
www.LoudounMutual.com