



Moving from 2012 to 2013

By President Ruth Reynolds

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The holidays have come and gone and seems like it gets faster every year. I hope all of you had a wonderful Christmas and New Year. Are you ready for 2013? I believe this will be the best year ever. I would like to share some information from my travels for NAPPS and for NCAPPS.

On November 16, 2012 I attended the second NAPPS Board Meeting in New Orleans. It is such a privilege to be involved with the people on this board. They are each professionals and care a great deal about the process serving profession. Each state represented has a common goal to keep us all in business and promote and grow with NAPPS. Your Docket Sheet will keep you up to date and well informed. Don't forget your supplement from NAPPS as well. NAPPS will host their 31st Annual Conference in Phoenix, AZ on April 18-20, 2013.

I was invited on November 30, 2012 to be a part of the formation of the South Carolina Process Servers Association (SCPPSA) in Columbia, SC. The invitation was from a fellow NAPPS member, Ron Grossberg. There were 14-16 people in attendance. John Perez was present to offer his wisdom on forming associations. I spoke to the group on how NCAPPS was growing and moving forward and offered our assistance to SC. I encouraged the members from SC that were present to become members of NAPPS and NCAPPS. These are exciting times and we all wish SC success in their efforts.

And to round out the year December 1 and 2, 2012, I visited Decatur, Georgia. I attended and completed the 12-hour pre certification training required by the GA certified process server program. I have never been more impressed with the professionals that were instructors for this two-day education program.

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Attends Georgia's program of certification

For Process Servers

Moving from 2012 to 2013 continued

Happy New Year!

Each state has its differences in laws and requirements. There were approximately 70 people in this class. I was invited to join in the Georgia Association of Professional Process Servers Board Meeting. These are truly committed people to their profession and their state. I learned so much that hopefully we could implement for NCAPPS.

I encourage each of you to seek education and become involved with your state association as well as others that you may do business with or would like to. Never stop learning or growing! I wish you all a healthy and prosperous 2013!!



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NCAPPS 2013 Goals and Events

NCAPPS will be growing even more in 2013 and some of the goals will be to increase membership, hold informal regional meetings and socials for remote areas of NC, create education opportunities, and provide news on changing laws and procedures.

Quarterly meetings will be held throughout the year and our 2nd Annual Conference will be in September. The annual conference will hold elections for the 2013-2014 board members and offer valuable information from vendors. Guest speakers and continuing education will certainly be a highlight.

Any ideas or suggestions from our members are greatly appreciated (and needed) and you may contact any Board Member with the info!

*Setting goals is the first step in
turning the invisible to the visible.*

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Insurance for Process Servers

“THE BIG FOUR” and WHY THEY ARE IMPORTANT

By Eric Vennes

Most Process Service Agencies are familiar with the term Errors and Omissions Insurance, but E & O is only one piece of the insurance puzzle. The following will provide you with some information on what I like to call “The Big Four” and why they should be an important consideration for every owner, manager and firm. While not all policies are alike, most are based upon a foundation of common forms. Upon this foundation of coverage, you will find that each carrier provides additional coverage forms and exclusion forms to the policy. A basic rule of thumb is “if it’s not excluded – it’s included”, but it is vitally important to know what your particular policy will and will not provide protection for. Do you have Assault and Battery included? What about Care Custody and Control of other’s property? Lost Key Coverage? Will your business laptop be covered if stolen from your car? What happens if your database is breached and you have personal information of Defendant’s, including SSNs from a skip? I would encourage you all to take a few minutes, either with or without your agent, to conduct a quick review of you current coverage. How does your overall coverage stack up? Here then are “The Big Four” and their importance.

GENERAL LIABILITY INSURANCE – GL typically provides coverage for unintentional acts of bodily injury, property damage and personal and/or advertising injury; and most policies will offer ‘on-premise’ only. This means that once you leave the scheduled address listed on the policy, your GL coverage may not follow you! **Know which you have or are purchasing.** An example of personal injury would be slander, libel and defamation of character, of which claims have been on the rise lately through perceived nuisance suits. Bodily injury might stem from accidental injury to a client or subject through negligence of an employee or uninsured subcontractor. Property damage coverage would trigger should a third-party’s property be damaged during the course and scope of work performed. This does not include damage that is auto related, as auto is discussed later in this article. Medical payments are used to “appease” an injured client to avoid a medical claim. Your coverage limit can be used to pay small medical bills and other costs associated with an injury to avoid a liability claim or suit and can be used as a deterrent. Fire Damage is coverage to protect the insured from damage to a premise that you might rent, but do not own and is included in most GL coverage forms. You may want to check your monetary limit, as this coverage varies from carrier to carrier. All of these coverage parts are important aspects of General Liability Insurance and you should not have any excluded. Note – on some Errors & Omission policies that include General Liability, the carrier may exclude Personal and Advertising Injury from the General Liability coverage forms, only to give it back on the Professional Liability side. If you see it excluded from the GL, first check the E & O coverage parts to see if it was added back. This is done so as to not duplicate coverage.

PROFESSIONAL LIABILITY (E&O) – Professional Liability is a synonymous term for both Malpractice Insurance and/or Errors and Omissions Insurance. This coverage is triggered when you commit an error or omission in your professional scope of work that causes financial damage to a third party. Examples of claims would be missing a filing deadline due to your, your employee or subcontractor’s direct negligence (getting lost on the way to courthouse, losing the document, etc), filing a document in the wrong court venue, serving the wrong subject, having a document lodged between your car seat and not noticing until the statue has run, errors on a proof of service, failing to conduct a proper foreclosure sale, posting a notice on the wrong property, etc. Remember, anyone can sue for anything – whether real, perceived or frivolous, claims can and do arise. If/when that claim does come in – who would you rather pay the defense costs – you – or your insurance carrier? E&O policies cover judgments, settlements and defense costs.

Purchasing E&O Insurance is an important safety measure that protects you from a mistake or an outright false claim. You can also purchase E&O insurance as part of a General Liability policy in some cases, creating an inclusive protection barrier from Bodily Injury, Property Damage and Financial Damage claims by a third party. Choosing the right coverage is important, as not all policies are alike. Even policies written on the same Carrier’s paper can differ. It is vitally important that you utilize a Retail Broker familiar with the specifics of your Profession; one that understands the losses that may occur and how to protect them through a quality program that is “profession specific”.

BUSINESS PERSONAL PROPERTY – You should be able to find BOP policies in a number of markets today. This “package” policy will typically provide you the most ‘bang for the buck’ and is filled with additional coverage(s) specific to business owners. In the case of loss you will have a specified dollar limit to cover your business property (furniture/fixtures, computers, phone systems, copiers, etc.), valuable papers, business income and extra expense (limits to replace lost income and get you up and back in business fast), employee dishonesty; as well as, a plethora of other business specific coverage(s). It is important to make sure you are carrying adequate limits to protect your business assets. Your agent can help you with this determination. **In addition, your classification is extremely important. Some classes carry general liability and some do not. For example, an attorney’s office class may come with GL and may have an option for Hired and Non-Owned Auto, which is terrific, but if a claim arises, triggered by those coverage parts that are misclassified, there is a chance your claim will not be paid.** In the end, this would amount to paying premium for nothing.

AUTO LIABILITY – Hired/Non-Owned Auto coverage is a very important factor to consider for any owner of a Process Service Agency. It can be added to some GL policies, can be purchased in conjunction with most Commercial Auto policies, and/or can be purchased as a monoline product (a stand-alone policy). H/NOA is excess auto liability for claims that name your Agency in a law suit for the actions of drivers of non-owned autos used for a business purpose. This coverage does not apply to corporate officers of the first named insured. In addition, it is protection for the Agency and does not extend damages to the employee/subcontractor. A typical example might be John/Jane Doe process server is involved in an at-fault auto accident. Because he/she was “working” at the time of the accident, it is likely that your firm will be named in the suit. This coverage should provide you defense, as well as, cover any monetary damages above and beyond your server’s auto limits. **Another important issue with Auto Insurance is that personal lines will rarely cross over to commercial use.** It is vitally important for you and all of your field agents to not only have adequate limits of insurance, but that you/they have a “business use endorsement” on your/their auto policy. If it is found that you are using your vehicle for business use, your personal lines auto policy may decline to pay for damages.

There you have it – The Big Four – as always, I encourage you to evaluate your current overall commercial coverage and shop around for your insurance needs. There ARE options and differences in coverage and pricing from carrier to carrier. If you make the decision to purchase insurance, take the time to make it an educated one, paying only what you need and only for WHAT you need.

Note: The above coverage topics are what I consider to be the four most important, but are certainly not professed to be the ONLY coverage(s) needed or available. Other topics to research or ask your agent about are Crime Insurance, Employment Liability (wrongful firing, sexual harassment, etc), Employee Benefits, Additional Insured requirements, Umbrella/Excess, Building (usually if you own), Cyber Liability and more.

H. Eric Vennes has been a Process Server in the State of Washington since 1987, founding NW Legal Support (1989-2004) and owning the Firm of Apex Legal Services today. In 2004 he obtained his Insurance License and is the current Founder and CEO of Pacific Coast Insurance Group, Inc. catering specifically to the process service and private investigative professions. Eric can be reached at (855) 356-0875 or eric@pacificcig.com to answer any questions you may have.

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Collecting past due payments

By Kimberly Hamilton

Over the years, I have had my share of clients who for whatever reason, will not pay an invoice. I have also had lengthy discussions with others in this profession and have found I am not alone. The most obvious solution and consensus by everyone to avoid this dilemma is to have all assignments paid in advance. However nice that would be, sometimes it just does not happen.



The majority of my work is prepaid but unless I want to lose clients and/ or assignments, some of the work has to be billed. Rush serves are a perfect example when an attempt is needed that same day. I do accept credit cards but not all companies have a business credit card or debit card. This is hard to imagine, but it is true. And of course, there are “regular clients” who provide a steady stream of work and pay either weekly or monthly. With these rush serves or regular clients, there is inevitably an invoice or two that does not make it off of someone’s desk or gets filed away with another case or gets lost on the route to the accounting department.

Once a month, I go over my unpaid invoices and make phone calls, send emails, reprint invoices, and gently remind the clients they need to make a payment. I send them a credit card authorization form for their convenience as well. Thirty days seems the most popular time frame in which most servers start to collect or send reminders. But occasionally, thirty days turns into 60, 90, and 180 days with no check arriving, even after some not so gentle reminders. Sigh.

I always check to see if the stubborn client is a member of NAPPS or other state association that has a grievance committee. Often, just the mention of a complaint can get a check in the mail and the problem resolved. But I have had clients that are not members of an association that could provide help and am now faced with the decision on how to proceed. I have heard of others charging late fees and state just the threat of a late fee gets the check written, but I think if a client is not paying the original invoice, they certainly will not be any more agreeable on paying more.

So what to do on a 180 day invoice? There have been discussions about using a collection agency, but I have not yet personally tried this. I know collection agencies charge a large percentage of whatever is collected. Considering all the time I have investing in trying to collect the payment (phone calls, faxes, emails, making notes) for several months, do I want to invest any more of my time? For the price of a few serves and maybe a rush fee, my answer is usually no and it just gets written off as a bad debt. Another sigh.

So prevention seems to be the most reasonable and feasible way to deal with this. If I am doing work for an individual, payment is via a money order or credit card only. Work does not begin until the payment has cleared, not just received. With my other clients, either attorneys or other process serving companies, they are told prepayment only. However, there are exceptions and they are emailed a copy of the invoice when the assignment is received with a note stating payment is due upon receipt. They usually email or fax over a copy of the check and before I mail out any return or affidavit back to them, I check to see if payment has been received.

Other pre-payment option is Paypal. I have found many attorneys use Paypal with their clients so this works out well. It is secure, they can pay with a credit card and not give out their credit card info and you can even send them an invoice through the Paypal site. *(continued)*





Finding a credit card processing company was a big step for me. I do not process enough to justify the monthly service fee and the transaction fees that most charge, so I chose Intuit Go Payment. It is pay-as-you-use and I love not having monthly fees, especially when I do not have any charges to process that month. The only disadvantage with Intuit Go Payment is that I can only take Visa and Mastercard, but I do think they have a Discover and American Express payment option. If a client wants to pay with either of those cards, I have them do so through Paypal. With Paypal, the client can use any form of payment they want, such as a checking account, debit card or any major credit card.

I have heard many servers complain that they do not want to pay any bank fees. On a \$100.00 charge, the fees are less than \$3.00, both with Paypal and Intuit. My time investing in trying to collect on an invoice, especially for a few months, is much more valuable than that \$3.00. With getting the payment in advance, I also keep the client happy, I am happy with them and we can work together again in the future. When you try to collect payments, it leaves a negative impression on everyone. That client will most likely not use your services again and move onto another company, perhaps doing the same exact thing to them.

So what's next when you have a very difficult client who has refused or avoided any attempts at resolving the issue? The first thing I do is save their phone number in my phone, along with "prepay only" or "do not work for" after their company name in my phone. I have little notes for a lot of my contacts. So when that company calls, I know before answering the phone by what is on the caller ID what I am dealing with. I am honest with them and explain about our past experience. Most understand. Some get mad and move on to another company, which brings up another dilemma. I now know company A does not pay and now they are calling process serving company B, which I probably know and do not want them to go through what I did.

NCAPPS does not have any forum or discussion group in which we can discuss "difficult" companies openly. The legality of that would be a mess. I have in the past, emailed other servers who I might think the client is contacting and give them a "heads up". NCAPPS does have a grievance committee but that is for NCAPPS members only. I would like to see our grievance committee take complaints of non-payment against non-members as well. NCAPPS members should have that benefit, even when working with non-members. Proof of work, requests for payment and all communication must be submitted just like any other complaint. The Board could review and send a letter to both parties. Will this get the invoice paid? Probably not, but other members can then be notified of the Boards actions and be informed. Recently I got a call from another server who was trying to collect payment from a client. As it turns out, I was too. If one of us known the other's difficulties with the client, then it could have possibly been one less headache.

Collecting past due payments is no fun for anyone. With the time and effort investing in trying to collect, we end up losing even more money if the client still refuses to pay. The best practice is to get paid up front. If more servers would be persistent with prepayment, could make complaints on non-paying clients and if non-paying clients would get some type of notice, then maybe clients would ensure payment is made in a timely fashion in the future. One person cannot instill the idea of prepayment of all work to every client, but with many members of an association, we can ensure that a large part of incoming work to NC is prepaid.

 The image is a business card for Diamond Eye Legal. On the right side, there is a close-up photograph of a human eye with a green diamond-shaped iris. The text is on the left side of the card.

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A barcode scanner app that allows you to take a picture of a barcode while out shopping and immediately see price comparisons on Ebay, Amazon, and other sites. Find the lowest prices on just about anything!! Free!!



GET NOTICED Advertise your business card in the NCAPPS quarterly newsletter. Ads are \$25.00 per issue. Contact Kimberly Hamilton for more information.

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Upcoming Events

NCAPPS Meeting January 26th, 2013, Logans Roadhouse, Greensboro NC

NAPPS 31st Annual Conference, April 18-20th, 2013, Phoenix, AZ

North Carolina Association of
Professional Process Servers



New NCAPPS Members

We start off 2013 with 2 new members.

Frank James, Phoenix, Legal, Alpharetta, GA (Associate Member)
Gregory Hatten, TJ Conner and Assoc, Enka, NC

NCAPPS current membership as of 1/15/2013 is 52!!

