

Insights & Updates

Information from your professional insurance agent

Summer 2001

It's summer—put the top down on that rental car

But first, make sure you're covered

One of the most frequently asked questions about auto insurance is this: Am I covered if I rent a car? And should I buy the insurance the rental company offers?

The answer is not an easy one. If you currently have an auto policy with adequate liability limits, and you are renting a private passenger auto, then you're probably OK as far as **liability coverage** goes.

- **Check your existing policy.** Review your auto insurance policy or call us before you rent a car. You don't want to pay extra money for coverages you already have. Most auto insurance policies will provide liability insurance if you injure someone in an accident. However, damages to the rental car are only covered under your policy's comprehensive and collision coverage. Make sure your auto policy includes this type of coverage.
- **Check your credit cards.** In some cases, your credit card will pay for damages to a rental car in the event of an accident. To be eligible, you probably would have to decline the collision damage waiver, as well as charge the full amount of the rental car on your card. Make sure your credit card offers these services. Also make sure you understand all limitations and exclusions your credit card may issue such as limited rental contracts and



Good news on rental car reimbursement

If you're in an accident and you are claiming rental car expenses from the responsible party, here's something you should know. The New Jersey Department of Banking and Insurance recently amended the rules regarding rental vehicles. The change clarifies that payments to you for a rental vehicle must be in an amount that will allow you to rent a vehicle comparable to the type of vehicle that was damaged.

For example, if you drive a truck to meet a particular need, such as transporting equipment, you should be able to rent a comparable-type vehicle. Note, however, the rule doesn't require the rental to be of similar value or status, just a comparable type.

approved rental dealers.

- **Can I let someone else drive the rental car?** In most cases, you will need to list additional drivers on your contract at the time of pick up. Some companies will allow your spouse to drive at no additional cost, but check first. If someone else drives the car without the rental car agency's permission, any coverage provided in the rental agreement may be voided.
- **Rentals in other countries should always be reviewed for foreign coverage.**

Call us BEFORE you rent a car. We can help you determine whether rental car insurance will be needed.

Index

Swimming pool safety _____	2	College-bound this fall? _____	3
Be safe in the sun _____	2	Are you protected from earthquake disaster? _____	4
The ABCs of ACV _____	2	Independent insurance agents—we'll personalize your service _____	4
Keep yourself afloat—insure your boat _____	2	Think chimney safety _____	4
Are you prepared for the unexpected? _____	3		
Be in it for the long haul; buy LTC insurance _____	3		



Swimming pool safety

Swimming pools: Owning one is terrific. But don't forget the dangers. Swimming pools are so dangerous in fact, that 300 children under age 5 die and 2,000 more visit hospital emergency rooms for submersion injuries every year.

Following are some tips for a safe and enjoyable swimming pool season:

- Be sure all pool users know how to swim. Learners should be accompanied by a good swimmer.
- Don't swim alone or allow others to swim alone; make sure there's somebody nearby who can answer a distress call.
- Check the pool area regularly for glasses, bottles, toys or other potential accident hazards.
- Keep CD players, radios and other electrical devices away from pools or nearby wet surfaces.
- Don't allow anyone who has been drinking alcohol to use the pool.
- Stay out of the pool during rain storms or during thunder and lightning.
- Never dive into an above-ground pool and check the water depth before plunging into any pool.
- Don't swim if you're tired or have just finished eating.

Check your homeowners insurance policy. You may want to consider having additional coverage through an **umbrella policy**. Although umbrella policies are relatively inexpensive, you don't want to buy unnecessary coverage. Give our office a call. We can help you determine if an umbrella policy is what you need to keep the sun shining on you this summer.



Be safe in the sun

Everyone knows summer means fun in the sun, but to keep activities safe, take the following precautions during those hot days.

- When temperatures hit 90 degrees or above, limit strenuous outdoor activities;
- Drink plenty of water throughout the day to remain hydrated;
- Apply a sunscreen with an SPF of 15 or higher 20 minutes before going out in the sun, and reapply it regularly throughout the day;
- Avoid sun exposure between the hours of 10 a.m. and 4 p.m.;
- Never leave children, the elderly or pets waiting in a parked car, even for a few minutes; and
- Wear light-colored, loose fitting clothing.

Follow these tips, and your summer is sure to be one to remember.



The ABCs of ACV

Homeowners, whether you have a claim to file or want to ensure you'll be adequately reimbursed in the event of a loss, it's important to understand **actual cash value**.

Market value, or ACV, is the typical standard insurance companies use to reimburse policyholders for losses. ACV equals the replacement cost of the item, minus any depreciation, or in simpler terms, the amount you could

expect to receive for the item if you sold it today. Wear and tear and age are used to determine depreciation. To ease the claims process, be sure to prepare, save and update any appraisals, receipts, warranties and photographs of all your possessions.

What will your valuables be worth? Call our office today to ensure proper protection of all your property.

Keep yourself afloat—insure your boat

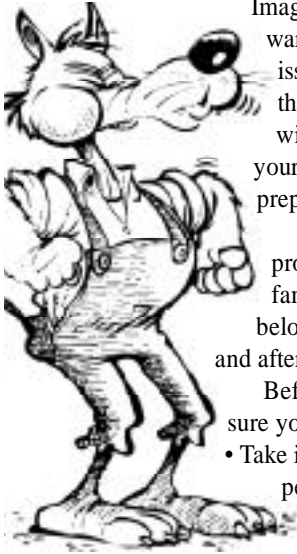
It's the time of year—finally—when you can head for the open waters and few things compare to that.

Boats are getting more popular every year. However, boating is not risk free. That's where insurance comes into play. You need to think about **liability insurance** before you set sail. Homeowners insurance policies usually include coverage for watercraft, but the coverage is often very limited. Typically, a homeowners policy will pay up to \$1,000 if something happens to your boat while it's at your house. It may even offer some liability coverage for lower-powered small watercraft.

Call our agency for more information regarding **liability insurance for your boat**. We'll help you determine whether a specialty policy would be the best protection for you and keep you rowing merrily along.



I'll huff and I'll putt . . . Are you prepared for the unexpected?



Imagine this: A hurricane warning has just been issued. In just 36 hours, the announced hurricane will swiftly move across your state. Are you prepared?

Here are some tips to protect yourself, your family and your belongings before, during and after a hurricane.

Before a hurricane, make sure you do the following:

- Take inventory of your personal property and keep the record in a safe place (such as a bank safety deposit box)

that won't be affected by a hurricane.

- Check your insurance policy and what it covers. Keep in mind that flood damage is NOT covered under your homeowners policy. Ask us about obtaining flood insurance now, BEFORE hurricane season is in full swing.
- Know the location of and safest evacuation route to the nearest shelter.
- Keep supplies such as batteries, canned goods (don't forget a can opener), bottled water and medication on hand.

- Store a large supply of water in airtight containers for use after the storm.
- Secure objects outside your home and make sure windows are boarded up.
- Keep your car's gas tank full.

During a hurricane, make sure you do the following:

- Remain calm.
- Remain indoors and avoid exposure to windows and glass doors.
- Keep tuned to official radio reports (you'll need those batteries).
- Take precautions to protect your property as long as it is safe to do so.

After a hurricane, follow these tips:

- Beware of outdoor hazards such as loose or dangling power lines, broken gas lines and flooded electrical circuits.
- Take an inventory of damages and losses.
- Make any needed repairs to protect your property from further damage.
- Notify our office of any damages or losses.
- Beware of fly-by-night contractors. Hire licensed, reputable, local service people.

It really doesn't take much planning to be prepared for a storm emergency compared to the time and effort it could take to recover from one. Take just a few minutes to review your home and give us a call now. It will save a lot later.



Be in it for the long haul; buy LTC insurance

Nobody likes to think about being dependent on someone else. But near half of people beyond age 65 will need some type of **long-term care** or will spend time in an assisted living facility.

Think Medicare or Medicaid will cover the costs of a nursing home or home health care? Medicare pays less than 10 percent of nursing home cost and Medicaid only covers low-income individuals. Additionally, nursing home costs run more than \$40,000 per year average; costs that are expected to climb annually.

Supplemental long-term care insurance is the answer to covering your care needs for later on in your life—or earlier if necessary. LTC insurance policies cover the costs of home nursing care, assisted living facilities and other care centers due to illness, accident or simply because of your age.

Long-term benefit payments depend on the type of plan chosen. Talk to us today to find the coverage that's right for you.

College-bound this fall?

Here's what you should know . . .



As many students head off to college this fall, they'll be preparing for the "real world." But don't overlook real-world needs while in the classroom or dorm room.

For example, will the items you're keeping in your dorm room or off-campus apartment, such as your new computer, your heavy-duty stereo or your clothes be safe in the event of a break-in or loss? Don't leave your valuables vulnerable; make sure you obtain the appropriate **insurance** to protect your personal property.

And what if you get sick at school? Where health insurance is involved, full-time students are likely to be covered under their parents' policies, but you should make sure. Many insurance carriers also require proof of full-time registration status.

Need more details about the kinds of coverages your student is carrying? Call our office today and let one of our agents do your homework for you.



Remember Seattle? Are you protected from earthquake disaster?

Residents of the Northwest learned a valuable lesson this winter when an earthquake measuring 6.8 on the Richter scale caused tremendous damage, upwards of \$2 billion to property in Western Washington state. The lesson learned? Disaster can strike anywhere, at anytime.

Would you be covered if an earthquake put your home's structure to the test?

Some people may think the government, or a governmental agency such as the Federal Emergency Management Agency, would step in with aid after disaster strikes. While the government is likely to provide disaster relief in these instances, it does not protect the individual homeowner from financial losses.

It's also important to note that your homeowners insurance policy does not cover damage caused by earthquakes. **Earthquake coverage is sold as an additional coverage** to a homeowners policy, and average policies cost less than \$100 annually. A range of coverage limits and deductibles are available.

Please call our office today; our agents are ready to find the coverage that's right for you.

Independent insurance agents—we'll personalize your service

Banks. 800-numbers. One-company agents. It seems everyone wants to sell you insurance these days. But keep in mind, banks may not have your best interests in mind when offering you their insurance products. And those 800 numbers just can't offer you the



personal advice you really need when choosing your insurance products. **Independent insurance agents are looking out for you.**

Independent agents work for you, the insurance consumer. A professional agent will meet with you, listen to your insurance needs and shop around with *several* different companies for insurance products specifically tailored to your priorities. We'll find the best product at the best price—for you.

One-company agents can't access the variety of products and services available to independent agents.

Let us shop and work for you! We're looking out for your best interests.

Think chimney safety

It's probably the last thing on your mind, but with fire losses growing each year, chimney safety is something to think about.

The root cause of most of these losses is that most U.S. homeowners are unaware that chimneys are an integral part of a home heating system and that they require regular evaluation and maintenance. Most homeowners in the United States seem to have little working knowledge of chimney and venting systems. This situation is complicated by the fact that faults, damage and problems

are rarely visible to the casual observer.

The threat of chimney fires and unsafe indoor air quality conditions can be greatly reduced, perhaps even eliminated, if homeowners only understood that chimneys are active home operation systems.

The primary job of a chimney service professional is to aid in the prevention of fires related to fireplaces, woodstoves, gas, oil and coal heating systems and the chimneys that serve them. Chimney sweeps install, clean and maintain these systems, evaluate their performance, prescribe changes to improve their performance and

educate the consumer about their safe and efficient operation.

For a list of certified chimney sweeps in your area, visit www.csia.org.

