

# Insights and Updates

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## Swimming, swimming

A swimming pool can be a rewarding addition to a backyard. It offers a place for family to gather, and provides fun and excitement for children and adults alike. Whether you already have a pool or are preparing to have one installed, there are a number of important considerations you should know.

**Notify us.** It is important that homeowners considering installing a pool, or purchasing property with a pool on it, notify us. We can advise you on insurance, such as maintaining adequate limits. Often, a standard homeowners policy serves as the first layer of coverage for a home with a pool, but is not sufficient to fully cover a homeowner. Swimming pools are frequently deemed by courts to be unusually attractive to children; accordingly, homeowners cannot simply post a “no-trespassing” sign and assume they have insulated themselves from liability. Because of the elevated risk of liability, a conversation with our agency can help ensure that you have the proper layers of coverage to protect yourself and anyone else who may be injured at the pool.

**Local codes & permits.** Most, if not all, municipalities strictly regulate the construction of pools. Installing a private swimming pool is a significant construction project. Accordingly,

the plan must be approved by your local building inspector or the authority that has jurisdiction over such construction. A pool that is not constructed to code may fall outside of an insurance company’s underwriting guidelines, and cause significant issues with insurability.

Assuming that a pool already is constructed properly, the owner of the pool must comply with a number of safety measures. Frequently, local governments are the entities that enact laws that address this issue. The requirements for barriers, fences, gates, latches and the means of direct entry into a pool area are designed to provide protection against accidental drowning, particularly for small children. While these can be the requirements of the town or locality where the pool is located; your insurance carrier may demand additional safeguards, or may seek evidence that these safeguards were installed properly and that they have been maintained adequately. To ensure your coverage is not affected, make sure we are aware of all the safeguards you have installed.

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## A policy with teeth

Here are two sobering facts you should know about your four-legged friends: According to the Center for Disease Control and Prevention, dog bites injure more than 4.5 million people each year. On the insurance side of the tale, a single dog bite can create a major expense. In 2013, the Insurance Information Institute quoted the average cost for dog bite claims as \$27,862.

Homeowners and renters insurance policies typically cover dog-bite liability as part of the standard policy's liability coverage, which can range from a limit of \$100,000 to \$500,000. This means that the dog owner is responsible for any additional damages (e.g., legal costs). However, while most insurance companies cover dogs, some breeds are difficult to insure. Moreover, if the animal has had a previous incident, coverage for that dog could be denied.

Additional coverages (e.g., a liability policy to provide no-fault medical coverage; personal liability coverage; personal excess liability policy; umbrella liability policy, etc.) are available to protect you if you have a furry friend. Give our agency a call so we can walk you through your options and provide you with the best insurance policy for your needs.

## Duty to report

Sounds like military terminology, doesn't it?

Actually, many auto insurance policies contain this specific provision in their insurance contract or policy to ensure that any changes made to the policy during the policy period are reported. Although your "duty to report" can extend to a variety of changes, you will most commonly be required to report changes such as: additional drivers; a change in address; or a modification to your vehicle.

Because there is a perception that any change will result in a significant increase in premium, some people are hesitant to provide this information to insurers. The changes you actually make to your policy, however, often result in no change, or only a minor change to the policy premium. These minor charges pale in comparison to the catastrophic costs of failing to inform your agent or insurer of any changes. Did you know that if you fail to report changes your insurer could deny certain coverages if you get into an accident?

Some insurers include language in their auto policy permitting the denial of coverage on the physical damage portion of a claim if the policyholder does not inform them of certain changes (usually within 60 days). Imagine a situation in which you have a brand new car and your teenaged child—whom you failed to report as a driver to your agent—gets into an at-fault accident and totals the car. Under this duty-to-report provision, an insurer may be able to deny the collision coverage for the new car. If the car was financed, you would be solely responsible for that financed amount. If it wasn't totaled, this means that you will have to pay the repair shop out-of-pocket to fix the damaged vehicle.

Our agency can help you determine which insurers have this language in their policies. So, if you think that ad on TV sounds appealing and that you could save a lot of money on your insurance, understand that these "savings" could wind up costing you thousands, if not tens of thousands, of dollars.





## Grill safely this summer

Americans enjoy more than three billion barbecues each year. But, barbecuing can be dangerous, even when you are careful. If you have a grilling accident, will you be covered by your homeowners insurance?

Homeowners insurance typically covers fire, smoke, lightning, wind, hail, freezing of pipes, theft, explosion, falling objects, vandalism and a few other perils. Damaged belongings, such as a ruined grill also are covered under your personal property coverage.

Hopefully, no one visiting your home will be harmed, but if someone were injured, he or she would receive payment for reasonable medical expenses. If the person were to sue, you could rely on your liability coverage to protect you.

However, if the grilling accident injures a member of your household, this would not be covered by your homeowners policy. You would need to rely on your health insurance provider to cover medical expenses instead.

To avoid potentially disastrous situations, follow these simple tips:

- When ready to barbecue, protect yourself by wearing a heavy apron and an oven mitt that fits high up over your forearm.
- Never store your gas cylinders in the house or garage—make sure they are always stored outside and away from your house. Always ensure the valves are turned off when you are not using them, and check regularly for leaks in the connections using a soap and water mix that will show bubbles where gas escapes.

**“... barbecuing can be dangerous, even when you are careful. If you have a grilling accident, will you be covered by your homeowners insurance?”**

- Grills should be kept on a level surface away from the house—vinyl

siding melts quickly—the garage and most of all, children.

- Only use starter fluid designed for the charcoal grill you are using. Never use gasoline. If the fire is too slow, rekindle with dry kindling and add more charcoal if necessary. To avoid a flash fire, never add more liquid fuel.
- Keep a fire extinguisher nearby at all times.

Don't forget post-grilling safety! Keep your grill clean by removing fat or grease buildup from the grills and the trays below. If using a charcoal grill, dispose of coals by soaking them in water and letting them cool completely before placing them in a metal container away from any structures. Be aware that grills remain hot long after the cooking is done.

Before you fire up your grill this barbecue season, give our agency a call. We'll review your homeowners coverage with you to be sure you're protected if the unexpected occurs.



## Are you covered for quakes?



Everyone desires certain skills they hope to never use (e.g., to know CPR or self-defense maneuvers). Although we may be content to never call upon those abilities, there is comfort in knowing that you are prepared for a situation. The same can be said about insuring your home and property against an earthquake. While you hope never to need it, knowing that you will not need to rebuild alone can help relieve anxiety.

While it may seem less likely that a sizable earthquake will affect where you live, the more experts explore fault lines and tectonics, the more incredibly complex they appear. The fact is that in all likelihood, earthquakes will strike the East Coast. And, as with any worst-case scenario, the best time to call our agency to discuss your insurance options is before an event occurs.

Unfortunately, most standard homeowners policies exclude damage caused by earth movement (e.g., earthquakes and any other earth movement, including earth sinking, rising or shifting). But, you're in luck. You can purchase an endorsement to your

homeowners, renters or business policy to cover your losses from earthquakes and aftershocks. Since different building materials react differently to earth movement (e.g., brick versus wood), premiums vary by the type of building construction and they usually are determined by a percentage of the building's value.

Something to keep in mind: Once an earthquake is detected, it's too late. You can't buy coverage within 72 hours after an earthquake, and damaging aftershocks always are a possibility within that period of time.

If you belong to a corporation or association of property owners that has inadequate earthquake coverage (or none at all), you could be assessed for repairs to common property. If you have earthquake coverage and loss assessment coverage on your homeowners policy, you may be able to extend it to cover you for this liability to the association.

Give our agency a call, we'll be happy to review your insurance policy to make sure you have the coverage you need when you need it.

## News from our agency

### Go with a pro

When it comes to insurance coverage for you and your family, it's important to understand that insurance is not one-size-fits-all. That's why working with a professional, independent insurance agent is important. Unlike captive agents, who represent only a single carrier, an independent agent will evaluate your situation; find the best coverage/price from a variety of insurance companies; and develop a cost-effective package to meet your specific needs. We also can access companies that offer specialized coverages for unique needs. We offer personalized, face-to-face service and we live in your community and support local community projects and events.

The best part of working with an independent agent is knowing that a real person is there to help. Feel free to call, email or visit our agency whenever you have a question.

