

Insurance Briefs

Volume 2 Issue 1



When It Rains, It Pours: Why You Need a Personal Umbrella Policy

In recent years, our society has become what some people call “lawsuit happy.” In other words, an increasing number of people are filing lawsuits for everything from emotional injury to property damage-and they’re suing for larger amounts than ever before. If someone were to file a lawsuit against you, you could end up losing hundreds of thousands of dollars or more, even if you won.

While you may have some personal liability coverage through your homeowner’s or auto insurance policy, it’s probably not nearly enough to cover a major lawsuit. Fortunately, you can further protect yourself with what’s known as an umbrella policy. This type of policy offers a higher level of liability coverage and ensures that you and your family will be protected if someone sues you for damages.

Read on to learn more about these valuable policies:

Umbrella policies:

A liability coverage “extension”

When it comes to lawsuits, the more assets you own, the more you stand to lose. A personal umbrella liability policy can protect you from these potentially devastating losses. These policies act as an extension to the current liability protection you probably have through your homeowner’s or auto insurance policy.

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Umbrella policies are typically sold in million dollar increments, and you can obtain a policy once your home and auto insurance policies meet a minimum “attachment point”—typically a liability limit of \$250,000 or \$500,000.



What does it cover?

Most umbrella policies covers the following:

- Personal injury, including false arrest, mental anguish, malicious prosecution, libel, slander, defamation of character, wrongful entry or eviction, negligent infliction of emotional distress or invasion of privacy.
- Bodily injury, such as physical injury or death. In some jurisdictions, this also includes emotional injury.

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Welcome to the Interstate Insurance Agency Newsletter!

It is with great satisfaction that we bring this newsletter to you. In this issue and in coming months, we will discuss pertinent insurance topics which may affect you and your family. We sincerely hope that you will find this newsletter informative and please do not hesitate to contact us should you have any questions or needs.

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John's Corner

Fall is in the air! As much as we love summer around here, fall has its own feel and pace. The kids are back in school, the air turns crisp and cool and of course football, football and more football! But, before you know it, the sunny days turn quickly and the skies darken before we're off work and the rain pounds several inches off the pavement. That said I've included some material in this issue about getting our houses ready for winter. The deep freeze and record snows of last year are fresh on our minds and we don't want to be caught off guard. Until then, let's enjoy the beauty of fall and count our blessings that we live right here in the Pacific Northwest.

Great news – Camra Hooper, our newest addition at Interstate Insurance Agency is now an officially licensed agent. Good job, Cami! She's learning the business from the inside out and we are very pleased with her progress. With another licensed agent in our office we are able to provide you with a higher level of service and continue to improve in the way we do business. As always, we look forward to your comments, ideas and suggestions. Feel free to call or email me: johnrousey@msn.com.

Can I get personal here? As some of you know I have one daughter, my only child – Alexa. She is newly licensed and for those of you with teenage drivers – I feel your pain! Allow me a moment: “Alexa, be careful out there. The car in front of you, beside you or behind you may be one of your Dad's valued clients. I know you're a good driver and always strive to make the right decisions

and I want YOU and everyone around you to be safe! Thank you for that and please continue to be careful.”

Finally, “thank you” for talking about us. Your referrals mean everything to us and they are the lifeline of our agency. By year's end we will have eliminated all yellow page display ads and we're returning that savings into more rewards for you. In fact, stay tuned for our next newsletter in January as we unveil our 2010 rewards program. Meanwhile, we're still doing the gift cards, \$50 Visa cards and the year end grand prize – a 32” flat screen TV. It's our way of saying “THANK YOU” from Interstate Insurance Agency – Your Trusted Neighborhood Agency.

- John Rousey



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- Property damage, including destruction of the property of others, cost of recreation and loss of use. However, it does not cover damages done to your own property.
- Defense coverage, including groundless, false and fraudulent suits, bail bond costs, loss of earning and other “reasonable” expenses.

Of course, it's probably easier to understand exactly what an umbrella policy covers by putting it into real-life terms. Here are a few examples of what this type of policy could cover:

- A deliveryman is hauling your new washing machine into your home when he trips on your door mat, falls and breaks his neck. Your umbrella policy would likely cover the hundreds of thousands of dollars worth of damages.
- You're driving down the road when an important corporate CEO steps into the crosswalk in front of your car. He sues you for millions of dollars in medical costs, lost earning and damages. Your umbrella policy can cover you for these damages.
- Your daughter invites a friend over to play on her swing set. Her friend falls off the slide and suffers from serious injuries. When her parents sue you, your umbrella policy will cover the medical costs.

How much does it cost?

The price of an umbrella policy depends on how much coverage you want, the number of properties you rent or own and the number of automobiles or watercraft you own. The cost associated with cars and watercraft are much higher than those associated with properties.

Let's say you own a home and two cars, and you want to purchase a \$1 million umbrella policy. You can expect to pay somewhere between \$175 and \$200 per year. If you have young drivers, additional properties, watercraft and/or other exposures, the cost might be closer to \$350 per year.

Talk to our agency to discuss whether or not an umbrella policy is right for you. In the long run, by paying a few hundred per year, you could save millions.

Here Comes Winter - Is Your House Ready?

The chill in the air tells you it's time to pull out the heavy clothes and brave the falling temperatures. That chill should also tell you it's time to perform a check of your home to ensure it can withstand the rigors of the upcoming winter.

Start with a top down approach by taking a good look at your roof. Inspect it for cracked or missing shingles, worn patches on shingles, missing or damaged flashing, and any other conditions that might permit water to leak through. If your shingles look haggard, try bending the corner of one - if it breaks, it is time for a new roof.

Your gutters are another part of your anti-leak prevention system, so they should also be carefully inspected. Remove all leaves and other debris to allow water to flow freely. If the gutters remain clogged, they will fill with rainwater or melting snow and can easily overflow, which can cause basement flooding and water damage to siding, windows, and doors. The added weight may also pull the gutters down from the eaves.

Next, check the siding for cracks, damage, and separations between the individual siding boards. Seal any empty spots with a clear caulking compound, or buy caulking that can be painted if you want to make sure repairs match the original siding.

With looming escalating home heating costs, the condition of your weather stripping is another consideration. Good weather stripping prevents cold air from coming inside. If it's damaged, it needs to be replaced.

Your furnace can be your best friend or your biggest enemy, depending on whether or not you have it serviced before the winter season. Servicing usually involves having your heating contractor clean or replace the filter, brush and vacuum the blower blades, repair any leaks around the air ducts and vacuum the chimney.

To keep storm doors working properly, oil hinges and latches. Be sure the door closer is working properly and the closing speed of a pneumatic closer is correct. If you have a storm door with interchangeable glass and screen panels, don't forget to remove the screens and put in the glass panels.

As important as your pre-season check is, it is not enough to keep your house protected during the winter months. Heavy rain and snow can wreak havoc on your

home if you don't exercise some caution when it comes to maintaining proper drainage. The Institute for Business & Home Safety suggests the following guidelines:

- Watch for snow accumulation on the downwind side of a higher-level roof where blowing snow can collect. This could cause the roof to collapse. Remove snow



from window wells and all walls.

- Clear debris from basement drains.
- Make sure gutters are clean and stable. In addition to ensuring proper drainage, it lessens the chance they will become flying debris in high wind.
- Ensure downspouts are sloping away from the house and carrying water at least five feet away from foundation walls.
- Examine window and door flashing, seals or weather stripping. If sealants around those openings are no longer pliable and continuous, reseal and caulk them.
- Keep your attic well ventilated this winter in order to maintain a temperature close to that of the outdoors. This minimizes the risk of ice dams. A warm attic melts snow on the roof, causing water to run down and refreeze at the roof's edge where it's cooler. If ice builds up and blocks water from draining, water is forced under the roof and into your attic or down the inside walls of your house.

We LOVE Referrals!

Thank You! Thank you! Thank you!

Many thanks to all of you for your recent referrals:

Rebekah Arnold
Esther Bushy
David Christenson
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Congratulations to our \$50 Visa Card WINNER – Kelly Marcelo!

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You will also automatically qualify for our year end **GRAND PRIZE DRAWING** in December –
A 32" FLAT SCREEN TV! Remember, the more you refer the greater your chances of winning!

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