



Insurance Made Easy

with the Allen/Freeman/McDonnell Agency

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Keep Warm this Winter Safely!

Winter is upon us and wood stoves can be a great way to supplement your heat, keeping in mind that safety is very important.

Wood and pellet stoves need to be installed to the manufacturer's or NFPA guidelines. These types of stoves are fuel appliances and should be clear within 36 inches of anything combustible. Remove ashes using a metal container and dispose of them away from combustible materials. For more information, visit the Maine State Fire Marshall's Office website at www.me.gov/dps/fmo/index.

Annual chimney cleanings are important. Burn dry wood to reduce creosote build up on the inside walls of the chimney. Ensure the chimney itself is structurally safe. Is it lined? Are there any loose cracks or loose bricks?

Furnaces also need to be serviced and cleaned annually. If you notice discoloring on your walls or ceiling near the furnace, it may be a clearance issue or you may need additional pipe insulation. Ensure there are no cracks or holes in the pipe seams.

No matter what your heating or cooking source, be sure to have an adequate number of working smoke and carbon monoxide detectors in your home. Keep fresh batteries in these units and test them periodically. Fire extinguishers, flashlights and emergency escape ladders for upper floors are also important. If you live in an apartment building, review the safety procedures including the location of fire exits.

Does your family have a home escape plan in case of emergencies? A family fire drill may sound hokey, but such an exercise could save lives.

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"Top 10 Reasons to Purchase the Rental Car Damage Waiver"

Although most collision damage waiver (CDW) or loss damage waiver (LDW) fees are considered outrageous, most consumers should consider purchasing the CDW/LDW for short term rentals. This is becoming increasingly the case as rental car companies charge ever-higher fees and penalties for losses and expenses not covered by most auto policies or credit cards.

Bill Wilson, CPCU, ARM, AIM, AAM, Director of the Big "I" University explains in his article his top ten reasons for purchasing this coverage. For this column we have taken excerpts, but encourage you to go to our website at www.insurancemadeeasy.com to read the complete article. It could save you a lot of money and aggravation if you do experience a rental claim.

1) Loss Valuation: The value of a rental car, according to virtually all rental agreements, is determined solely at the discretion of the rental company and may be significantly different from the market value "ACV" basis used by most auto policies...

2) Loss Settlement: ...More importantly, the auto insurer has the right to *"inspect and appraise the damaged property before its repair or disposal"* – the rental company may choose to make the repairs immediately, potentially resulting in a lack of auto insurance coverage because of the failure to comply with the condition cited above...

3) Loss Payment: The rental agreement may require immediate reimbursement for damages and it is not uncommon for the rental company to charge the consumer's credit card for the full value of the vehicle and other expenses.

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Top Ten Reasons Continued

This can create a significant debt, “max” out the credit card’s limit (perhaps shortening a vacation or business trip), result in litigation, etc....

4) **Loss Damage Waivers (LDW):** The rental agreement usually requires reimbursement for more than collision, making the consumer responsible for ANY “loss” in value beyond normal wear and tear regardless of fault.... If the rental agreement includes a Loss (not just Collision) Damage Waiver (LDW), the policy must also include comprehensive coverage to protect the consumer for non-collision damage such as theft or vandalism...

5) **Indirect Losses:** The consumer most likely will be responsible for the rental company’s loss of rental income on the damaged unit. Most auto policies have, at best, daily maximum caps for this indirect loss and some may pay only for loss of income resulting from theft, not collision, or other causes of loss...

6) **Administrative Expenses:** The rental contract may make the consumer liable for various “administrative” or loss-related expenses such as towing, storage, appraisal, claims adjustment, etc. None of these expenses are typically covered by auto policies..

7) **Other Insurance:** Coverage under an auto policy is typically excess over: 1) any coverage provided by the owner of the auto, perhaps including self insured plans, 2) any other applicable damage insurance, and 3) any other source of recovery applicable to the loss... the potential controversy over who pays what is obvious and can result in litigation...

8) **Excluded Vehicles and Territories:** Personal auto policies typically do not provide coverage for motorcycles, motor homes and other motor vehicles that are not private passenger cars, pickup trucks, or vans, and use of covered vehicles is limited to the U.S., its territories and possessions, Puerto Rico, and Canada...

9) **Excluded Uses and Drivers:** One often overlooked issue is where a large gap might exist is using valet parking at a hotel or restaurant during a personal or business trip. Most auto policies cover damage to nonowned autos if you have physical damage on at least one declared auto. However, this

coverage may extend only to a nonowned auto “while in the custody of or being operated by you or a family member...” If the rental car is being valet parked, it’s certainly not operated by you. ... It’s a matter of law and contract interpretation. That’s why it is probably not a good idea to valet park a rental car. The Catch-22 is that, even if you purchase the rental car damage waiver, most rental agreements void the coverage if the vehicle is being driven by an unauthorized driver...

10) **Additional and/or Future Costs:** The personal auto policy will most certainly include a physical damage deductible... while the rental agency’s LDW may not.

Bill Wilson’s article in its entirety, including the disclaimer, can be read on our website at www.insurancemadeeasy.com. Before renting, we encourage you to review your insurance policy and read all contracts carefully.

Roof Safety

Cold roofs are necessary to ward off ice dams. If snow melts on the roof and refreezes, ice dams can form. Water backs up and leaks into the home. Keep your roof cold by maintaining proper insulation in the attic with soffit vents so cold air can pass through. Keep gutters clear.

Snow rakes are a very popular tool for keeping heavy snow loads off your roof. Even light puffy snow can turn to ice and the sheer weight can cause a roof to collapse. Beware of power lines. Remember, “no line is safe to touch, ever!”

Will You Need Flood Insurance?

Flooding is excluded by homeowners and dwelling policies. The National Flood Insurance Program (NFIP), administrated by FEMA, provides subsidized rates making flood insurance more readily available to inhabitants in participating communities. **FEMA** acknowledges that 25-30% of flood claims paid through this program involve property in low- to moderate-flood risk areas and encourages all home and business owners to investigate flood coverage.

There is typically a 30 day waiting period once the application is completed and the down payment made. Certain restrictions may apply. Don’t wait until you are wading in your basement to find out more! Call us today for a quote.

