

NEWS BLAST



Valentine's Day Presents

Covering Your Jewelry Against Loss and Theft

MAYBE YOU received or gave your better half some nice jewelry during Valentine's Day, the day that is biggest for marriage proposals.

So, now that diamond engagement ring or pearl necklace is being sported, have you thought about how you will protect it?

The Insurance Information Institute recommends buying coverage for expensive jewelry shortly after purchasing it.

After all, jewelry losses are among the most frequent content claims in homeowner's policies.

The institute recommends the following if you've just splurged on some bling or if you've just received a stunning set of diamond earrings.

1. Contact your agent promptly

Ask us if you will need additional insurance for your jewelry.

Typically, homeowner's and renter's insurance policies include coverage for personal items such as jewelry. But the policy limits on jewelry are usually between \$1,000 and \$2,000

– too low to cover the \$4,000 average cost of an engagement ring, for example.

And if you are like most people, you have more than one piece of expensive jewelry. Talk to us about buying an endorsement policy, which is sort of like a rider to your homeowner's or renter's policy.

The endorsements will even cover you if you lose your ring after it falls down a storm drain.

Most endorsements to policies usually have no deductibles, so if your ring is lost or stolen, you won't have any out-of-pocket expense.

2. Stow your receipt

Send a copy of the receipt for your jewelry to your insurer, so that your insurance company has a record of the current retail value of the item. Make a scanned copy of the receipt as well – and store it in a safe place.

3. Don't forget family heirlooms

If your mom gives you your great grandmother's wedding ring, you should go and have it appraised by a professional jeweler. If you don't

know one, we can point you in the right direction.

The appraisal should include the weight, grade and measurements of your item, as well as a picture of it. Again, keep a copy of the appraisal in a safe place.

4. Add item to your home inventory

Add your new jewelry to your home inventory list. If you have homeowner's or renter's insurance, you should have a home inventory (see page 3 for tips on creating a comprehensive one).

Having your jewelry on your inventory list will make it much easier if you ever have to file a claim.

5. Buy a safe

A safe can be used for more than just storing your jewelry. You may have firearms, and other valuables that you don't want just to be tucked away in drawer.

Also, you can keep important personal documents like birth certificates and passports in the safe. ❖

CONTACT US >>>

PLACER
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Unusual Risk

Covering Your Domestic Workers Properly

IF YOU are planning on hiring a nanny, housekeeper or gardener for your home, you need to make sure that you have the proper insurance in place.

If you are hiring someone on a permanent basis, whether they are working full time or part time, it's quite likely that you would be required to secure workers' compensation coverage for them. But that will depend on the amount of work they perform, how often they work at your residence and the nature of that work.

In some cases, a homeowner's policy would cover them for any accidents they may have at your home. But it all depends.

There are actually two main risks that you are assuming when you hire a domestic worker:

- The risk to them sustaining an injury while working for you.
- The risk of them causing injury to a third party or their property.

Before you hire a nanny or housekeeper, you should review your homeowner's insurance policy to understand what coverage is available in case the worker is injured while working for you.

Some injuries might be covered under your homeowner's insurance. But you will probably have to pay a deductible, and your policy limits might not be sufficient to pay all damages.

All California personal property insurance policies are required to include automatic coverage for "occasional" employees. In such cases the personal liability and medical expense portion of your homeowner's policy can be extended to cover injuries to residence employees.

But beware, some policies have exclusions for injuries sustained by domestic employees or independent contractors performing work at your residence. Read your homeowner's insurance policy to see what

it says about such situations.

In some states, such as California, certain domestic workers are considered employees who are eligible to receive workers' compensation benefits in accordance with state law.

But, if they are working regularly for you on a full-time basis, you would be required under state law to secure workers' compensation coverage for the employee.

Getting covered

Purchasing a stand-alone workers' comp policy for just one domestic employee is difficult at best.

Fortunately most insurers will sell you a workers' compensation endorsement to your homeowner's policy.

If you don't purchase this endorsement – known as the HO-90 form – you would be opening yourself up to significant liability should the worker be injured while working for you.

The HO-90 form provides coverage on a very limited and specific basis for residence employees. You must inform us or your insurer about the extent to which you have employees working in your home so that the endorsement can be priced properly.

Risk of not securing coverage

If you do have someone working for you on more or less a permanent basis, they would be eligible for workers' compensation benefits if they are injured while working for you.

In that case, if you didn't secure a workers' comp endorsement, you'd be facing significant liability, since your homeowner's policy would exclude the claim.

Besides being liable for the cost of the medical care, if the employee misses work for any amount of time, you'd also be liable for the workers' comp wage-replacement benefits they are entitled to receive under state law.

Furthermore, you would likely be subject to fines by the state for not covering your worker. ❖

WE CAN HELP

If you have any questions about domestic workers, don't hesitate to call us!

800-642-5037



General guidelines

Insurance companies often use the following to describe a "full-time" employee:

- An inside employee (nanny, housekeeper, etc.) working over 20 hours per week.
- An outside employee (gardener, pool cleaner, etc.) working over 10 hours per week.

Note: Under 10 hours per week is typically considered an "occasional" employee.

Also, under California Insurance Code, in order for coverage to apply to a residential employee, the following must apply:

- Within the 90 days immediately prior to the date of injury, the employee must have been engaged in employment by you for no less than 52 hours.
- The employee must have earned no less than \$100 in wages.



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Homeowner's Insurance

How to Take the Ultimate Home Inventory

WOULD YOU be able to list everything that was damaged, destroyed or lost in your house or apartment if you had to file a claim with your insurance company?

Trying to remember everything as you are dealing with the mental trauma of your abode being destroyed is not an easy task. You would have a thousand things on your mind, like finding your most important personal documents and family heirlooms, in addition to trying to arrange a place to live.

But you can avoid potential distress – and the risk of your insurer disputing the claim – by preparing a detailed home inventory.

More than 75% of U.S. homeowners don't have an inventory, according to the National Association of Insurance Commissioners. And of those who do have one, they generally don't keep their records up to date.

Having a home inventory can make filing a claim much easier, and it increases the chances the getting the claim paid, too. Also, if you prepare an inventory it will help you assign value to your possessions, which in turn can help you and the insurer decided how much insurance you actually need.

It may sound like a daunting task to just get started, but fortunately TWS Home Inventory and Asset Management Group has created this handy list to help you take stock of your stuff.

Read your policy and discuss it with us

You need to understand your policy so you can know if you are you covered for the replacement value of your possessions or only actual cash value, or whether you need any special riders or endorsements for specialty items, such as:

- Jewelry,
- Musical instruments,
- Firearms,
- Expensive sporting goods like scuba gear or golf clubs.

Take photos of the outside of the home

Shoot the property from all sides, including any landscaping, outdoor furniture and accouterments.

Take photos of each room from all angles

Make sure that your pictures cover every piece of furniture, art and other decorations in every room.

Open every closet, cupboard and drawer

Go through all the places that you keep your possessions and, if you find anything of value, document it. Document when and where you got it and how much you paid for it.

If you haven't gotten in the habit of doing so, keep receipts for all of your big purchases.

Don't forget to photograph and document your clothes. If you have any expensive items, like fur coats, business suits or fancy dresses, take separate photos of them.

Note the model, serial number of electronic items

Take pictures and list the details of computers, mobile phones, tablets, TVs, stereo systems, etc.

Pay extra attention to china, crystal and silver

If you have a fancy set of china and cutlery, place it all on a table and take a picture. Take pics of the front and back of your plates, to show the brand name and the pattern.

Cover the garage as well

Often people have more valuables in their garage than any other place in their home. Again take pictures of everything in there – your tools, equipment, sporting goods, bikes, etc.

Photograph family heirlooms

Include rare items you have inherited when taking pictures. Even though insurance can't replace the sentimental value, it may replace the cost of those items.

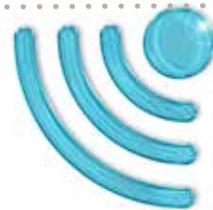
Scan all receipts

Get into the habit of scanning your receipts and taking a picture of the item to keep with your receipt. Keep things organized with one folder for each room.

Keep inventory off-premises

You should have a home inventory at home, but also keep one off your premises. These days that's quite easy, since you can store it on the cloud with a free service like dropbox.com. ❖





Auto Insurance

Black Boxes Standard on Most New Cars

ONCE FOUND only in commercial aircraft, “black box” event recorders are now standard in most new cars sold in America.

Like on a plane, in the wake of a crash, the black box analyzes the cause and effect of an incident. The data has many other potential uses – for insurance companies, lawyers and police, for instance.

But the National Highway Traffic Safety Administration, which has pushed for these units to be installed in all new vehicles in the U.S., says the event data recorder (EDR) data would be treated by the NHTSA “as the property of the vehicle owner and would not be used or accessed by the agency without owner consent.”

And now, auto insurers are offering on-board devices that track mileage and other driver behavior, with lower insurance rates as the incentive for their use.

Did You Know?

96% of all new vehicles have event data recorders. Documentation with all new cars is required to reveal their existence and location.

An EDR records data from a variety of sensors in a vehicle and is typically attached to the vehicle’s floor. But they can also be mounted to a car’s steering column, firewall or other out-of-the-way location.

CRASH DATA TROVE

When a crash occurs, an EDR captures and stores information about the incident. In addition to the date and time of the crash, modern EDRs record:

- Vehicle speed
- Engine speed
- Steering angle
- Braking status
- Force of impact
- Airbag deployment, speed and faults for all bags
- Forward and lateral crash force
- Crash event duration
- Accelerator position
- Engine rpm
- Brake application and antilock brake activation
- Stability control engagement
- Vehicle roll angle, in case of a rollover
- Number of times the vehicle has been started
- Driver and front-passenger safety belt engagement
- Front seat positions
- Occupant size
- Number of crashes

EFFECTS ON INSURANCE

Some insurers will offer discounts to policyholders who install black boxes in their cars. However, you have to trade it off against the loss of privacy by which insurance companies calculate insurance premiums according to the information derived from the EDR.

Insurers have already begun to incorporate advanced, after-market EDR systems into alternative automobile insurance plans in exchange for reduced rates.

The insurance company can use the information stored in the EDR to analyze what happened in an accident.

They can determine the speed at which you were driving, any sudden breaking or moves, and other data that can help prove whether it was you or the other driver who was at fault.

While you can choose to take advantage of an EDR discount on your policy, if your insurer offers one, you should be aware that it’s an all-or-nothing proposition. ❖

