

## NEWS BLAST



### Adult Toys

## Protect Your ATV or Dune Buggy Investment

**D**URING SUMMER, many people like to head off into the back country to drive ATVs and dune buggies.

But these toys are expensive and you should seriously consider insuring them.

While insurance companies consider dune buggies a specialized form of insurance, the coverage is quite similar to motorcycle and street vehicle policies, with slight differences to account for the off-road nature of these vehicles.

You can typically buy additional coverage for medical costs and possessions and accessories that you may keep in your off-road vehicle.

While all states require that you have insurance for your on-road vehicles, that's usually not the case with dune buggies since they are not typically driven on public roads.

That said, if you do want to drive your dune buggy on the road, you will be required to make it "street legal" by the Department of Motor Vehicles, and that would include a minimum amount of liability coverage.

ATV and dune buggy insurance is usually affordable and you would be thankful for it if you cause an accident that badly injures another person or damages their property.

This is especially true if you are sued by a third party.

In short, insurance covers a number of hazards that you face as a rider, and can provide peace of mind.

### Cost of coverage

Since you will typically drive your dune buggy or ATV on rough terrain, and around other people that may be doing the same thing, what can you expect dune buggy insurance to cost?

Typically, you can expect to pay anywhere from \$500 to \$1,500 per year to insure your dune buggy or sand rail.

If you do have one of these vehicles, you should seriously consider purchasing insurance. ❖

### Coverage Basics

- **Liability:** Covers your costs when you are at-fault in an accident
- **Comprehensive:** Pays for damage to your vehicle if hit by an object, damaged by weather or stolen
- **Collision:** Pays for damage to your vehicle in an accident
- **Uninsured/underinsured motorist coverage:** Pays when the other driver is at fault and does not have sufficient coverage to pay for your claim

### PREMIUM FACTORS

- The age and value of the vehicle
- Whether it is outfitted to be street legal
- How often you use your vehicle
- Whether you take it out of state
- The insurance company you choose and the amount of insurance you buy

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## New Risk

# Pokémon Go: It's Not All Fun and Games

IT'S BEEN about a month since the new Pokémon Go app was launched, sending countless people into the streets to virtually locate and capture cute little cartoon characters.

The app, downloaded onto smart phones and using GPS and the user's data and photos, allows players to look for creatures that can appear anywhere, like on the sidewalk, on a fire hydrant – or even at a cemetery.

But while the game is touted as a way for people to get out into the world in search of characters to catch, there are dangers for users in terms of not watching where they walk and compromising their private information.

### Real-world dangers

One of the biggest concerns is that it sends people hunting for Pokémon characters in the real world, putting them in danger if they don't pay attention to their surroundings.

On top of that, the app has sent users looking for creatures in inappropriate places like museums, churches, and cemeteries. Despite the fact that the game has been out only a short time, Arlington National Cemetery has asked players not to search for Pokémon creatures on its grounds. The Holocaust Museum in Washington D.C. has done the same.

Mind you, the app does include a warning when first loaded to: "Remember to be alert at all times. Stay aware of your surroundings." But that reminder is probably lost on most players.

Already, people have put themselves in dangerous situations. Three people were robbed at gunpoint when they went looking for a creature around a corner past midnight in Parkville, Maryland. The thieves made off with their mobile phones and cash.

A Florida man, thinking they were burglars, shot at some teens who had stopped outside his home at 1 a.m looking for a character.

The Texas Department of Transportation posted a notice on its Facebook page, warning players to be alert to who and what is around them when playing the game, and not to play the game while driving.

And a military base in Washington State, in a Facebook post, warned "budding Pokémon Trainers" to avoid chasing the creatures "into controlled or restricted areas, office buildings, or homes on base."

### Pokémon likes data

Experts have also raised privacy concerns as the app requests access to:

- Your Google account
- Your contacts
- Your photos and videos, and
- Your camera to take pictures and videos.

The danger in agreeing to share your data with third-party services is that you can never know how the data will be used, especially when the app has access to just about everything on your phone and e-mail accounts.

Also, when you first start up the app, it asks for your birthday. It's not hard to figure out your name and start a cycle of identity theft once that data is triangulated with your other information.

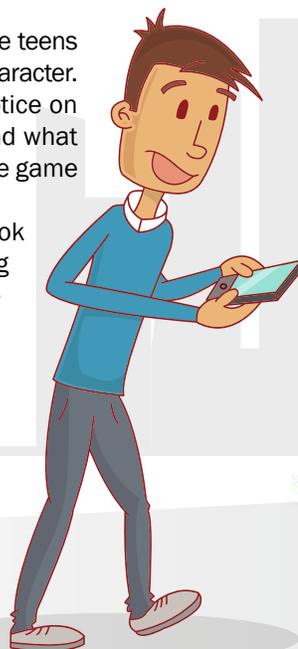
Also, versions of the game with malware embedded are also floating around. This can allow hackers access to any information the owner accesses with his or her phone.

### Stranger danger

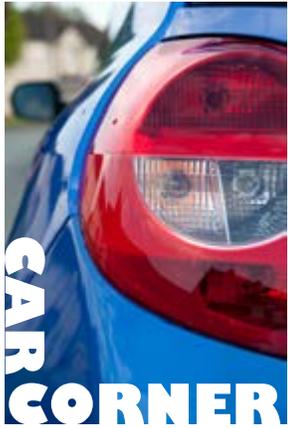
Obviously, the game is geared mainly to children. But because it could have them interacting with strangers, you need to have a conversation with your kids about how to behave online and to not give out vital information like where they live, their name and how old they are.

Safety experts recommend turning off the geolocation services on your phone when not using them because they can become embedded in your photos that might be posted on social media platforms.

You should also bar your kids from making in-app purchases, since that will require divulging your credit card information. ❖



# Whose Insurance Covers a Friend Using Your Car?



**O**NE AFTERNOON your friend calls you up and asks: “Dude, can I borrow your car for a few hours today? Mine’s in the shop.”

You don’t think much about it and hand over your keys. But what do you do if your friend has an accident? Will your insurance cover the damage, or does theirs?

Though policies will vary, the general rule is that anyone living in your house is typically covered when driving your car, unless expressly excluded on the policy.

In many cases, every driver in the same household is actually required to be

included on the vehicle’s insurance policy.

For those friends or family members who don’t live with you but use your car every once in a while, you can typically loan them your vehicle and not worry that they’ll be covered.

Permissive use generally applies in these cases. This means that if you give another driver permission to take your car, they will be covered by your insurance.

But, it’s not that simple if your friend causes damage that exceeds your policy limits.

In general, the vehicle owner’s policy is primary and pays first in the event of a loss. If your owner’s policy does not cover the loss or provide enough insurance to fully cover it, the borrower’s policy will apply.

For example, assume that your policy has a bodily insurance limit of \$250,000 for injuries to one person, and your friend’s policy has a limit of \$100,000.

Your friend borrows your car and has an accident three blocks from

your home, and severely injures the driver of the other vehicle. The medical bills alone are \$300,000.

Your policy will pay first up to the \$250,000 limit, after which your friend’s insurance will kick in to pay the rest.

## Deductible

Your insurance will also be primary for damage to the car itself, but the borrower’s insurance can make up for a difference in deductible.

Suppose your friend has a \$500 collision deductible on his car, and you have a \$1,000 deductible.

The damage to your vehicle is \$6,000, so your insurer will pay \$5,000 for the repairs. Your friend’s insurance would pay you an additional \$500 (your deductible, minus your friend’s).

## Reasonable belief

One important part of all this is that anyone who borrows your car must have your permission in order for the insurance to cover them. The insurance company will cover your friend if he had a “reasonable belief” that he could use the car.

So, if you told your friend: “Steve, you can use my car whenever you need to,” and Steve did borrow it a few times before, that would mean that Steve had reasonable belief that he could use your car.

Permission must come from the vehicle’s owner, not from a member of the owner’s family. ❖

## BEFORE BORROWING A CAR...

- Make certain you have the owner’s permission.
- Make certain the owner has insurance.
- Check your own insurance to see if it will cover damages the owner’s policy doesn’t cover.



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## Homeowner's Insurance

# Paying for Living Costs after Dwelling Damage

**B**ESIDES YOUR loss of property, one of the main concerns you may have if your home has been damaged by a fire or other calamity is how to pay for your living expenses as you wait for it to be repaired.

Fortunately, the standard homeowner's policy will cover you for your living expenses like staying in a hotel while your home is repaired. This coverage is known "loss of use," and it is designed to reimburse you for the cost of maintaining a comparable standard of living following a covered loss that exceeds the insured's normal expenses prior to the loss.

Actually, the standard homeowner's policy contains three loss-of-use coverages: "additional living expense," "fair rental value," and what is known as "civil authority prohibits use." And typically, these coverages are subject to a limit equal to 30% of the dwelling limit under homeowner's insurance.

So, if you have a policy to cover the full value of your \$300,000 home, the policy would cover \$90,000 for loss of use.

### Additional living expense

Additional living expense coverage pays for your increase in living costs when the home, damaged by a covered cause of loss, becomes unfit to live in.

For example, assume a fire guts your kitchen and two bedrooms. Since your policy covers fire and the home is unsafe for the family to occupy, this coverage will pay the extra amount you must spend to live elsewhere for a period of time.

But, the insurance company will pay only the amount necessary for the family to maintain its normal standard of living. If you were not living in a luxury condo before the loss, the insurer will not pay for you to live in one after.

Loss-of-use coverage meets any additional living expenses – or any necessary expense that exceeds what you normally spend.

For example, if you usually spend \$500 per month for groceries and, while your home is being repaired, you spend \$700 a month since you have to dine out instead of cooking at home, your policy will cover the \$200 difference.

### Additional living expense examples

- Hotel or rental home charges
- Food and utility expenses
- Additional car mileage

### Fair rental value

This coverage applies to homeowners who rent out part or all of the premises. Should a covered cause of loss damage the home and make it uninhabitable, the insurance will pay the rental income that the homeowner loses.

### Civil authority prohibits use

Sometimes the government will require people to evacuate their homes due to a man-made or natural disaster, such as a wildfire. If the authorities require occupants in a neighborhood to evacuate, the homeowners will obviously have to find accommodation elsewhere and incur expenses.

In cases like these, the families could benefit from civil authority prohibits use coverage.

This insurance pays for the increased cost of living elsewhere for up to two weeks when civil authorities prohibit homeowners from using their residences because of direct damage to neighboring premises caused by a covered peril.

As in the case of additional living expense coverage, the insurer will only pay the amount above non-continuing expenses – and only the cost of maintaining the family's normal living standard. ❖

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