

NEWS BLAST



Natural Perils

Preparing Your Home for Fall and Winter Storms

AS FALL nears with storms that are becoming increasingly violent, you should start now to make sure your home is properly protected against them.

If a particularly heavy storm hits, you can lose outdoor furnishings and see parts of your house damaged by winds or falling trees or branches. But you can take these steps to protect your home:

Stow all loose outdoor items

If a storm is heading your way, stow or secure all unattached items in your yard, such as lawn furniture, barbecues, decorations or sporting equipment.

High winds can carry these items far from your home, or through one of your windows. So while you're at it, before a storm approaches, close and secure your doors and windows.

Trim your trees

Falling branches can damage your home. A tree that falls onto your house can damage the structure and kill or injure any occupants.

Check your trees to see if they are healthy. Look for bare branches at the top, which might be a sign a tree is in poor shape.

Check near the base to see if you have roots that are sprawled out at one

side of the tree. That could be a sign your tree will eventually fall over.

If you're unsure about the health of a tree, you can hire an arborist.

You should also inspect for branches that can snap. If big enough, a falling branch can damage siding, windows – or even your car.

Climb a ladder and look for branches with cracks where they attach to the tree trunk. If you find any, lop them off.

Also, make sure to remove any branches that are touching or close to touching your roof or siding.

Don't wait until a storm is approaching to inspect and trim your tree. You will likely not have time to remove all the debris you've cut and, if it's left on the ground, it can go airborne during a storm and cause damage.

Protect your windows

Shutters are a real necessity if you live in an area that is especially prone to big storms, tornadoes or hurricanes.

Shutters are often made of steel or aluminum.

Another option is storm-proof windows, which are made from impact-resistant glass surrounded by a heavy-duty frame. They are akin to automotive glass that doesn't shatter or splinter. ❖

DON'T FORGET!

- Buy a gas generator that you can start up in case power goes out from downed power lines or damaged transformers.
- Inspect your rain gutters, make sure they are secure against the house and clear them of any debris that could cause water to back up.
- Put together an emergency kit with a battery-operated radio, batteries, flashlights, and a landline phone that isn't cordless.

CONTACT US >>>

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INSURANCE AGENCY

If you have any questions regarding any of these articles or have a coverage question, please call us at:

Placer Insurance Agency

5 Sierra Gate Plaza, Second Floor
Roseville, California 95678

Phone: (916) 784-1008

Toll Free: (800) 642-5037

E-mail: newsletter@placerins.com

License No.: 0C66701

Property Protection

Don't Insure Vacation Property Like Your Home

ARE YOU considering buying a vacation home ... a nice place by a lake or up in the mountains where you can go to get away from it all?

Just as when you bought your primary home, you'll need insurance that is specific to a vacation property – a place at which you won't be living permanently. So for that reason, you'll need a policy that is slightly different from a typical homeowner's policy.

What you need is seasonal and vacation property insurance, which covers accidental damage, liability and loss. Insurers normally have a standard policy, but they will often allow you to customize the policy to meet your specific needs and situation.

One of the things you need to consider before securing insurance is whether you plan to rent the property out in addition to staying there yourself on occasion.

Secondary-home endorsement

Some insurers will let you add an endorsement to your primary home's policy that covers your vacation home, and it's often the most cost effective way to insure your property.

One issue though with these endorsements is that the coverage level might not be as extensive as with a separate insurance policy. That is particularly true if the home is at greater risk of being damaged by natural disasters like hurricanes, brush or forest fires, or flooding.

Renting it out?

Vacation rentals can be monthly, weekly or even nightly, so they are often considered a different type of activity than is covered under a homeowner's policy.

A homeowner's policy typically does not cover vacation rental activities, nor does personal liability coverage.

Vacation rental insurance covers many of the same things your homeowner's policy does, but it offers additional protection.

Here we'll outline the three steps to insuring your vacation rental property in order to better preserve the long-term future of your investment:

Liability: Liability insurance protects you against lawsuits brought against you by your guests. The risks of liabilities imposed by lawsuits and similar claims, as well as property damages, will be covered depending on your insurance policy. In most cases, liability insurance will cover you even if you're found legally responsible for an accident that causes injury or damage to another property.

Building and contents: The next biggest risk you have is the actual property itself. If your renters happen to start a fire or burn your property down, this aspect of your insurance policy will ensure your home and contents are replaced at no cost to you.

Building income: The third exposure you have as a vacation rental owner is business income. After all, your rental property is a business which generates income, therefore you'll need to protect the income your business makes.

Factors that can affect insurance

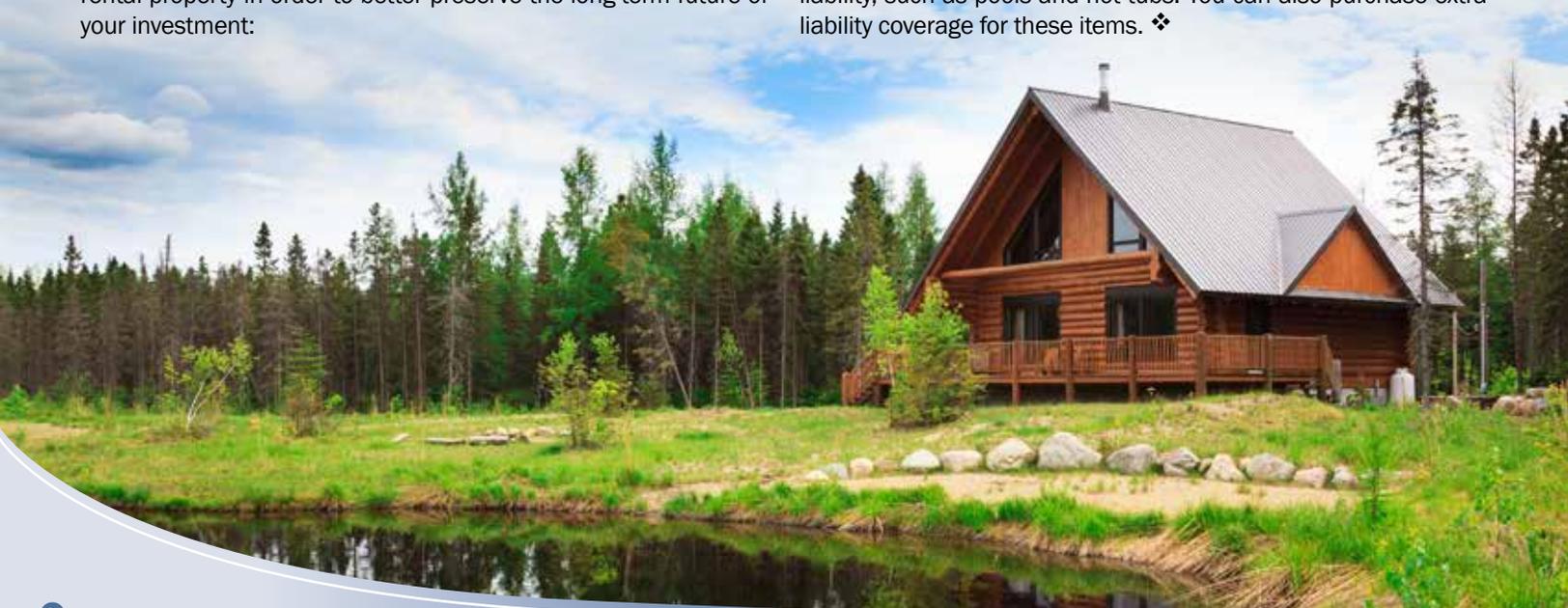
Location – Rental properties in at-risk areas – like for the aforementioned natural disasters – may see higher rates. Unfortunately, the attributes that make a vacation property appealing will often result in higher insurance costs.

The beach, for instance, will be at risk for wind and storm damage as well as flooding, while a cabin in the forest can burn down during a forest fire.

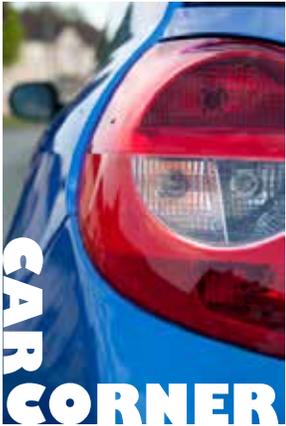
You need to consider the price of insurance and the possibility of higher deductibles for homes in these areas.

Property type – Is your vacation property a single-family home, condo or townhome? Condominiums and townhouses usually have lower insurance premiums. If general upkeep for the exterior and some interiors is covered by fees, insurance companies may factor that in while writing a policy.

Facilities and amenities – Insurance companies take into account the extra features of a property that may expose you to more liability, such as pools and hot tubs. You can also purchase extra liability coverage for these items. ❖



Driverless Cars to Slash Insurance Premiums: Study



BESIDES THE convenience of not actually having to drive and the prospects of fewer accidents, one of the most significant expected benefits of driverless cars for vehicle owners is a serious reduction in insurance premiums.

Auto insurance premiums are expected to slide as much 20% by 2035, even if the uptake of driverless vehicles proceeds at a moderate pace, according to a study by Aon Benfield, a global risk management company.

The “Global Insurance Market Opportunities” study also predicts that by 2050, if adoption of autonomous vehicles proceeds at that same moderate pace, rates will fall by as

much as 40% from 2015 levels.

The reason for these startling premium drops is simple: self-driving vehicles will significantly reduce the chances of human error and inattentiveness and hence accident rates will plummet, the study predicts.

The drop in accidents is expected to be offset a bit by slight increases in the average cost of an accident claim.

Aon Benfield predicts that there will be 90% adoption of self-driving technology over the next 30 years. The report said that this timeframe “is consistent with the historical adoption of safety features in personal vehicles.”

It based its predictions for adoption of self-driving technology on historical precedent transportation and other technological uptake.

“Cars took approximately 80 years from the date of the first commercial availability to reach 90 percent adoption, air travel took approximately 60 years, mobile phones 30 years while smart phones have taken only 10 years,” the Aon Benfield report notes. ❖

WHY INSURANCE COSTS WILL FALL

- Claims frequency (the number of claims as a percentage of vehicles on the road) is expected to fall. Researchers predict connected-car technology will address 81% of all vehicle crashes, eliminating a large portion of the estimated 1.2 million deaths every year. The starting clock for this is the first commercial availability of driverless cars.
- The average cost of claims will likely increase to account for the cost of replacing the high-tech sensors that autonomous cars use to scan the surroundings. The sensors are usually located on bumpers, which are often the first part of the car damaged in an accident.
- Liability premiums for individual car owners will also fall because the liability for accidents will transfer from the driver to the manufacturer and operator for the autonomous fleet.



Car Safety

Road Fatalities Surge; Phone Use to Blame



FOR DECADES, road fatalities were on a steady decline thanks in large part to new technologies that have made our cars safer, like anti-lock brakes, airbags, early warning systems and better construction.

Now that trend has reversed and for the first time in decades there has been a significant increase in the number of vehicle deaths in the United States.

The culprit? You guessed it: texting while driving.

Auto accident fatalities increased 8 percentage points between 2014 and 2015, the largest increase in 50 years, according to the National Safety Council.

In 2015, more than 38,000 people died in auto accidents in the U.S.

So despite our vehicles being safer than ever, the distraction of our interactive smart phones is getting the better of us. More people take their eyes off the road to text and read messages while barreling along.

If you haven't done so already, you need to make a promise to yourself and your family that you won't touch the phone while driving.

If not for the sake of your loved ones and innocent bystanders, you should put the phone down for the law.

It's already illegal to talk on the phone without a hands-free device and to drive while sending text messages or interacting in some way on your smart phone.

The National Safety Council study looked at the three top causes of accidents:

Distracted driving

Distracted driving includes texting, talking on the phone, eating and talking while driving. In 2014, more than 3,000 people were killed as a result of distracted driving. While the number of deaths is lower than for the other top two causes, increases in distracted driving deaths are what drove the overall increase in fatalities.

Motorists who use a hand-held device are four times more likely to be involved in an auto collision than any other driver, according to the council.

Increased risks associated with phone use:

- **Texting:** You are 23 times more at risk of an accident.
- **Reaching for your phone:** You are 1.4 times more at risk.
- **Talking on your phone:** You are 1.3 times more at risk.
- **Dialing:** You are 2.8 times more at risk.

Speeding

Speeding causes some 14,000 road deaths every year. Obey the speed limits and always drive appropriately for the conditions.

Driving under the influence

Nearly 10,000 people die every year in drunk-driving accidents (the drunk drivers themselves, but also the innocent pedestrians and other drivers that they kill).

The Centers for Disease Control and Prevention reports that 28 people die in a drinking and driving accident each day.

The bottom line: If you are going out and will be drinking, either appoint a designated driver or call a cab. ❖



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