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Staying in touch Keeping you informed on Personal Insurance issues



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Pull the Plug on Electrical Fires

Nowadays, it's hard to imagine our lives without electricity. We use it to provide light and heat to our homes, as well as to power our televisions, computers, kitchen appliances, and other devices. Electricity is a basic in our modern world that is easy to take for granted. But, it's important to remember that electricity is a powerful force that can also be dangerous.

One such danger is a fire originating in a home's electrical distribution system, which includes wiring, switches, receptacles, and outlets, as well as light fixtures, lamps, light bulbs, cords, and plugs. According to the most recent statistics from the U.S. Fire Administration (USFA, 2011), approximately 28,300 residential electrical fires cause 360 deaths, 1,000 injuries, and around \$995 million in direct property damage each year.

Safety Tips

Routine home maintenance is key to preventing an electrical fire. So, be sure to regularly inspect your home and its surrounding property for hazards like overloaded electrical circuits, frayed or cracked cords, improperly installed outlets, and loose connections. Here are some other safety tips to consider:

- Do not run extension cords beneath rugs or behind curtains.

- Only use light bulbs that are the correct wattage for their fixtures.
- Do not place televisions, stereos, computers, or other electronic equipment in cabinets without ample airflow.
- Use a power strip with its own circuit breaker instead of overloading outlets with multiple appliances or lights.
- Keep space heaters, lamps, and other heat-producing items away from walls, curtains, furniture, and other flammable objects.
- Contact an electrician immediately if lights are flickering or outlet cover plates are warm to the touch.

Even if a faulty electrical distribution system does not cause a fire, it may result in damage to your electrical devices or even cause electrical shocks to your family. Be aware of potential electrical hazards, and install a smoke alarm on every level of your home.

To make sure you and your family are fully protected from fire and other disasters, stop by or call us today for a review of your insurance program. We can help you determine whether you have the proper coverage in place.

Safety First

There are numerous features to keep in mind when buying a new vehicle, including price, comfort, looks, performance, and gas mileage. Another important factor is *safety*. A safe vehicle not only protects you and your family, but it may also save you money on your auto insurance.

Whether you are in the market for a car, van, or truck, the vehicle's design, engineering, and safety features can make a big difference in how it is rated for insurance purposes. Generally, the higher a vehicle's safety rating, the lower its insurance premiums will be. A vehicle's overall safety rating can be affected by **airbags, anti-lock brakes, structural reinforcement, and vehicle size and weight**. Even if your vehicle's safety features do not directly affect insurance costs, keep in mind that they may help to minimize the risk of injury in an accident.

Flood Insurance: Staying High and Dry

Did you know that even if you don't live in an area considered to be at high risk for flooding, your home could nonetheless be vulnerable to floods? According to the Federal Emergency Management Agency (FEMA, 2011), one-quarter of flood insurance claims are filed by individuals living in areas with low to moderate flood risk. Since almost any building in the country could be damaged in a flood, FEMA recommends that all homeowners prepare in advance for the possibility that flooding could hit their communities.



Insurance Considerations

It is important to note that flooding is not covered under homeowners insurance. However, special flood insurance policies backed by the Federal government can be purchased by homeowners and building owners living in one of nearly 20,000 communities across the country that participate in the National Flood Insurance Program (NFIP). The residents and businesses in these communities are offered flood coverage in exchange for enforcing floodplain management ordinances intended to minimize future flood damage. Flood insurance premiums vary according to risk and coverage levels, but they are generally affordable, especially for homeowners in low-risk areas. To find out whether you are eligible for NFIP coverage, visit www.floodsmart.gov, or contact our office.

It is essential to secure insurance coverage well before flooding strikes. Because the insurance does not take effect until

30 days after a policy is purchased, you cannot afford to wait until the water is lapping at your door to obtain the necessary protection. Also, do not incorrectly assume that the Federal government will provide funding to repair your home in the event of a flood. Federal assistance is only available if a disaster has been formally declared, and then the assistance offered may come in the form of a loan tacked on to your existing mortgage.

Tips to Mitigate Flood Damage

In addition to buying insurance, there are steps you can take to mitigate the damage to your home if flooding should occur. To start, install sump pumps with back-up power in the basement or lowest level in your home. If possible, ensure that the electric fuse box, as well as all electrical outlets, light sockets, baseboard heaters, and wiring, are located at least 12 inches above the projected flood elevation for your home. Consider the same guideline for the placement of furnaces, water heaters, and other major appliances. To prevent sewage from backing up and entering your home in a flood, a plumber may install an interior or exterior back-flow valve. If the risk of flooding is high, you may want to consider sealing any openings around the base of the house, installing a drainage system, constructing floodwalls, or improving exterior walls. Finally, move your most valuable items, especially important documents and family photographs, to the upper floors of the house.

It is also useful to prepare a plan that you and your family can put into action in the event that a flood alert is issued. Make a list of tasks for individual family members, such as collecting water for drinking in case the tap water becomes contaminated, moving furniture from the basement to the first or second floor, bringing outdoor furniture and other items from the yard indoors, and shutting down electrical, gas, and water utilities before leaving the house.

Finally, practice your flood evacuation plan with your family, reminding them to stay safe by avoiding flowing water and downed power lines. Floods can be both dangerous and destructive, but even a small amount of preparation can go a long way toward protecting your family and your property, even in major disasters.

Did You Know?

The Value of Green Homes

According to a 2010 survey by the National Association of Home Builders (NAHB) Research Center, both home builders (75%) and consumers (59%) believe that lower prices on building materials can help green homes become more affordable. The interest in green building is strong, as 77% of consumers feel that green homes are somewhat or very important, considering the potential for positive effects on the environment, long-term financial savings, and health benefits for the family.

Recalled Products

A 2010 poll of U.S. adults by Consumer Reports found that only 20% were aware of having purchased food, medication, or a product (not a car) that was recalled in the past three years. Less than one-quarter said that they had researched to find out if a product they purchased had been recalled, and over half indicated they never or rarely fill out product registration cards, which can help facilitate the distribution of recall messages.

Electric Vehicle Trends

A 2011 study by IBM's Institute for Business Value (IBV) provides insights into future trends for electric vehicles (EVs). Results revealed that 19% of drivers are "likely" or "very likely" to consider purchasing an EV when shopping for a new car. When asked what would motivate them to switch to an EV, respondents cited lower prices (71%), extended vehicle range between charges (64%), greater convenience (63%), and expanded availability of charging infrastructure (62%).