

Insights and Updates



216 E. Broadway, P.O. Box 557 • Salem, NJ 08079-0557
(856) 935-0845 • (856) 935-4223 FAX
www.hdyoung.com • insure@hdyoung.com



[Summer 2014 • New Jersey]

Boating this summer? Put safety first

Who doesn't love a day on the water in the summer? If you have, or are considering buying a boat, make sure you call us first. We'll help you make sure you are covered. Before you pack the boating gear, consider this: Most boating accidents occur because people don't stop to think about safety.

The most tragic accident is the one that could have been prevented. By observing safety guidelines, you can reduce the incidence of boating accidents and keep your family safe. Some safety tips to consider include the following:

- Everyone should wear a U.S. Coast Guard-approved personal floatation device.
- Keep a safe distance from other watercraft, anglers, canoeists and swimmers. Collisions are the most common type of personal watercraft accidents.
- Have a first-aid kit on your boat, and bring along any prescription medicines you may need.
- Equip your boat with a ship-to-shore radio in case of emergency.
- Take a Red Cross course in water safety and attend a boating safety class. According to the U.S. Coast Guard, lack of boater safety training is a major factor in the number of accidents on the water. In fact, 80 percent of all boating

accidents are attributed to boaters who lack adequate safety skills.

More than 50 percent of all boating fatalities are alcohol-related. Alcohol impairs your judgment, balance and coordination, especially in the water. Under New Jersey law, operators of boats that are motor powered and/or 12 feet or more in length (regardless of their power source), who have a blood alcohol concentration of 0.08 percent or higher are considered to be boating under the influence and are subject to a host of penalties. First-time offenders with a blood alcohol concentration between 0.08 percent and 0.10 percent, face the loss of their right to operate a boat on New Jersey waters for one year, the privilege of operating a motor vehicle in the state for three months and face a \$250-\$400 fine. Those with a blood alcohol level of 0.10 percent or higher, face the loss of right to operate a boat on New Jersey waters for one year and the privilege of operating a motor vehicle in

Index

Trampolines and insurance.....	2
Mold coverage for homeowners.....	2
Most ATV fatalities preventable	3
Umbrella insurance and a rainy day	4
News from our agency	4

New Jersey for seven to 12 months and a fine of \$300-\$500.

If you own a boat, you probably need specialized coverage (e.g., increased liability limits with an umbrella policy). Most homeowners insurance policies provide liability insurance for smaller motorboats with outboard motors of 25 horsepower or less, and for sailboats less than 26 feet long. Typically, there is \$1,500 coverage for damage to the boat for specified perils. However, theft and windstorm coverage is limited and sinking is not covered at all.

Before you sail off into the sunset, give our agency a call. We will help you obtain and secure the coverage you will need.



Trampolines and insurance

If you own a trampoline and someone is injured on it, your standard homeowners insurance policy should cover the incident. When your policy is new, or when it's renewed, you might be asked if you have a trampoline. If you don't maintain the trampoline, the insurance company may reject or nonrenew your policy. Some companies may refuse to insure a homeowner with a trampoline altogether.

Trampoline injuries (e.g., sprains and fractures, paralysis or death), are a leading cause of emergency-room trips in the U.S. each year. The dangerous nature of trampolines is the reason your insurance company scrutinizes the use of them.

Play it safe. Make sure children have adult supervision; only let one person jump on the device at a time; designate spotters; cover all metal with padding; and remove ladders to prevent unauthorized use.

If you want to purchase a trampoline, give us a call. We'll discuss your coverage options. If you've purchased the trampoline, give us a call too. A trampoline creates the kind of exposure (like swimming pools and dogs), that calls for higher policy limits. We can make sure you have the proper coverage to protect yourself and those you allow on your trampoline.

Mold coverage for homeowners

Not all mold rises to the level of concern seemingly warranted by media hysteria. Many thousands of mold varieties exist and experts classify them three ways, according to human responses to exposure: allergenic, pathogenic and toxigenic molds.

People with allergies or asthma are most affected by allergenic molds. This type of mold can produce scratchy throats, eye and nose irritations and rashes. This is the most common variety of mold. Pathogenic molds can cause infections in those with weakened immune systems, but healthy people usually can resist infection. Toxigenic molds can cause serious health effects in almost anybody. These are the molds television news warns you about—most famously, black mold. Its effects can range from short-term irritation to immunosuppression and even cancer.

The majority of molds do not represent a mortal danger. However, it is fair to say that mold is not something you want in your home. Thus the real question is: Is mold clean-up covered by my homeowners policy? Unfortunately, the answer is: Probably not.

The standard homeowners policy is designed to protect against sudden and

accidental losses. Mold commonly arises from long-term issues (e.g., ongoing water seepage, humidity problems, faulty drainage or condensation). Mold from any of these sources would be considered a "maintenance" problem and not covered ordinarily by a standard homeowners insurance policy.

On the other hand, mold that stems from burst pipes or similar incidents may be covered by your insurance policy. For more comprehensive mold coverage, some policies offer mold endorsements, which allow you to pay an additional premium in exchange for limited mold coverage. The trend, however, is away from coverage. Some insurance companies exclude coverage of mold-related damage completely, regardless of the source. Many more carriers write their policies to cap the amount of mold coverage or pay only for certain provisions, such as cleanup or testing.

If nothing else, this article should make clear that today's insurance/mold situation is murky at best. Give us a call with your mold concerns, or stop by the office. We can review your policy with you and discuss the options available.





Most ATV fatalities preventable

With the abundance of beautiful wooded and rural areas, it's no surprise that off-roading on an ATV is a popular recreational choice.

To partake in your favorite activity safely, keep in mind that most ATV-related fatalities occur on public or private roads, especially when engaging in risky behavior. ATVs are designed to allow you to ride in conditions that normal vehicles cannot handle: Rocky and grassy terrain and steep trails are no challenge for an ATV; however, while these vehicles can reach highway speeds, the low-pressure tires are not designed for paved surfaces, and can overturn. Important safety tips: First, drive an ATV in the way it was meant to be driven—off road. Second, treat driving your ATV the way you would treat driving your car or your motorcycle: sober and with safety gear (i.e., helmets).

Finally, consider a dedicated ATV insurance policy, which could cover the following:

“Only 13 percent of drivers and 6 percent of passengers killed wore helmets, and around 75 percent of fatal ATV crashes involved only one vehicle, 56 percent of which involved a rollover.”

- **Collision.** Collision pays for damages to an ATV caused by impact with another ATV, tree, other vehicle, etc. However, collision does not cover cosmetic issues, only structural damage.

- **Comprehensive.** This coverage pays for what collision doesn't—subject to exclusions in the policy.
- **Bodily injury/property liability.** This coverage offers protection in the event of injury to people or damage property.
- **Uninsured/underinsured motorist.** This protection will cover injuries and damage an uninsured or underinsured individual is liable for legally, but can't pay.

The risk is clear: Overall, only 13 percent of drivers and 6 percent of passengers killed wore helmets, and around 75 percent of fatal ATV crashes involved only one vehicle, 56 percent of which involved a rollover. Give our agency a call to discuss ATV insurance, and ride safely!



Umbrella insurance and a rainy day



Consider the following example: A commuter on his way home runs a red light, and severely injures a bicyclist. The bicyclist sues the commuter for \$750,000 and wins. This could be you.

If you are thinking you're the unfortunate bicycle rider, think again: You could be the commuter; who is wondering where are you going to find several hundred thousand dollars. While your auto policy covered \$500,000, you're responsible for the balance.

Don't worry, this is only an example, and there's still time to consider personal umbrella insurance.

What is personal umbrella insurance?

Personal umbrella insurance is protection above and beyond your auto, homeowners and boating policies. Since umbrella policies are accessed after the liability coverage from your homeowners, automobile or boating policies are exceeded; umbrella policies usually are inexpensive. A million-dollar or larger policy costs between \$200-300 dollars per year.

Following are two of the coverages typically offered by a personal

umbrella policy:

- **Personal liability.** This is the coverage illustrated in the example. However, it covers more than bodily injury; for example, property damage and damages caused by slander, libel, defamation, detention, confinement and related allegations. Most umbrella policies cover some exposures not covered by your auto and homeowner policies; such as your liability for a vehicle rented out of the country or damage to property of others in your care and control.
- **Defense.** This coverage will pay to defend claims or lawsuits for damages based on personal injury or property damage (e.g., expenses incurred in defense, premiums on bonds required in the lawsuit, reimbursement for lost earning and more).

This is just a brief overview. We can review your insurance policies to determine if a personal umbrella policy is right for you.

News from our agency

Go with a pro

Insurance and insurance pricing can be confusing. National direct-writer companies spend millions of dollars advertising their products and even hire celebrities to tell you about the great rates they offer. They even give you a website for a quote. How convenient. But is it?

If you buy directly from a website, you lose the personal attention and advice that you will get from your professional (and local), independent insurance agent. Unlike one-company agencies that represent a single insurance company, we will shop around and find you the best coverage for your needs.

Professional, independent insurance agents offer you personalized one-on-one service. We're right here in your community. We're your neighbors. We know your needs and wants. If you have a claim, we'll be there for you, whether it's at your home, office or scene of the accident. We're there when you need us.

Call our agency today to get advice on your insurance needs. We can be reached at (856) 935-0845 or by visiting our website at www.hdyoung.com. You also can find us on Facebook.

