

# Insurance Update



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## PERSONAL INSURANCE

### Own A Boat? Make Sure You Have Proper Coverage

Summer is the time of year to enjoy your boat. Many people, however, are unaware of the significant loss exposures associated with boat ownership, and some people mistakenly believe that there is coverage available under their personal auto policy (PAP).

Virtually all PAPs do not provide any liability or physical damage coverage for boats. Other people may look to their homeowners policy for coverage. But most homeowners policies only cover losses arising from certain low-valued or low-powered boats. You should contact our agency before buying a boat to discuss the proper insurance protection for it. Consider the following tips to assist you in this process:

- If you purchase a boat valued over \$1,500, you probably lack proper coverage under your homeowners policy for physical damage losses to the boat itself. A separate watercraft or boatowners policy is necessary to cover the physical damage to boats over this value.
- If you are considering the purchase of a sailboat, inquire about its length. If the length is 26 feet or more, there probably is no liability coverage under your homeowners policy. For motorboats, only insurers who own or lease boats with outboard motors of 25 horsepower

or less have liability coverage under most homeowners policies. This liability coverage restriction also necessitates the purchase of separate watercraft insurance.

- Ask us about the types of boats you are considering. Some insurance companies, for example, decline to insure personal watercraft such as jet skis and wave runners, since



some of these crafts can reach speeds of 60 mph. Many insurance companies also refuse to cover houseboats, homemade or kit boats, competition bass boats, and speedboats. You may have to pay a steep premium through a specialty insurance company to insure these types of craft.

- Be wary of purchasing older watercraft. Many insurance companies reject boats over 15 or 20 years of age because they experience a

higher loss frequency than newer boats. You may have trouble finding insurance coverage for older boats or end up paying an extremely high premium.

- If you do purchase an older boat, consider ordering a marine survey or inspection of it prior to the sale. Marine surveys point out deficiencies in watercraft that may cause you to reconsider the purchase or renegotiate its price.

- If you don't already have one, buy a personal umbrella policy in addition to a watercraft policy, particularly if you purchase a speedboat, a boat designed for water skiing, or some other craft with a higher potential to cause damage or loss of life. Umbrella policies are relatively inexpensive, and since most forms do not have limitations with respect to watercraft, they will provide excess limits above the liability coverage in the watercraft policy. In addition, you should use the same insurance company that writes your homeowners and personal auto policies for your personal umbrella policy.

## LIFE INSURANCE

### Life Insurance For \$1 A Day!



Don't assume that you are too young to need life insurance. In fact, the younger you are, the less expensive it is! Regardless of your age, you can buy a policy for about \$1 a day.

Have you ever considered what you can buy for \$1 these days? A fast-food hamburger, a super-size soft drink or a cup of coffee is about it. What if you could purchase peace of mind for the same price?

The purchase of a life insurance policy might be one of the most important gifts you'll ever give. In the event of a death, life insurance can help provide

financial security to your family members and allow them to maintain a comfortable lifestyle.

Life insurance can ensure your children receive the education they deserve and provide financial stability for your spouse. This valuable peace of mind is so easy to achieve through an Auto-Owners life insurance policy.

Auto-Owners Insurance

has an array of products offering options to meet all manner of life insurance needs. Surprisingly, this high-quality coverage is quite affordable; often the price is as little as \$1 per day. That beats a cup of coffee any day, doesn't it?

Please contact our office today to learn how easy and affordable it is to purchase life insurance. There is a plan that is right for you and your family's needs.

## BILLING

### Identity Theft And Credit Card Security



Credit card security and identity theft are big issues nowadays. But you can relax with Auto-Owners when you use your credit card to pay your premium.

In a day and age where there is a rising concern in identity theft and the security of our sensitive financial information, the Auto-Owners billing department is taking the necessary steps to keep your information secure and to become PCI compliant.

What is "PCI compliance"? The Payment Card Industry (PCI) Standards

Council, a global forum founded by JCB, Discover, MasterCard, Visa and American Express, developed security standards that will help prevent payment card data from being stolen and fraudulently used. When these standards are followed, a company is said to be "PCI compliant."

Auto-Owners is PCI compliant and is committed to keeping your financial

information secure. Therefore, you can confidently share your credit or debit card information with them and know it is safe and will not fall into anyone else's hands.

For any other questions regarding Auto-Owners billing, please feel free to contact our office or the Auto-Owners billing account services team at (800) 288-8740.

## BUSINESS INSURANCE

### Workers Compensation Coverage In Other States

Is your business covered for work in other states? Many businesses, especially construction-related businesses and those located in close proximity to adjoining states, may perform operations in more than one state.

Your workers compensation policy provides cov-

erage for your regular, ongoing operations in the states that are listed in your policy.

Your policy also provides temporary coverage for new operations, which begin after the effective date of your policy period, in other states. This coverage is called "Other States Insurance." These states should also be

listed in your policy.

If you have questions about what states you have workers compensation insurance coverage in, this would be a good time to contact our office. We can discuss your operations and make sure that you have the right coverage in the proper states.