



When You're On The Go, Your Liability Insurance Follows You

Personal liability insurance provides financial protection against legal obligations of the insured arising out of activities and conditions at the premises where the insured maintains a covered residence. This coverage also extends to personal activities of the named insured and household members anywhere in the world. If you are on vacation in Europe – you are covered. If your child is on a mission trip in Mexico – you are covered.

The homeowners policy defines an “insured location” as:



1. The qualifying residence premises where the named insured resides and which is shown as the residence premises described in the declarations.

2. The part of other premises used

by the named insured as a residence and shown in the declaration, such as a seasonal residence.

3. Any premises used in connection with residence definitions in 1 and 2 above.

4. That part of any premises not owned by an insured where the insured is temporarily residing. Examples would include a hotel room or vacation condo.

5. Vacant land other than farmland owned by or rented to an insured. Vacant land is generally defined as land upon which no man-made structures exist. An exception to this is land owned or rented to an insured on which a one to four-family dwelling is being built as a residence for the insured.

6. Burial plots or vaults of an insured.

7. That part of a premises occasionally rented to an insured for non-business use. An example would be a rented hall for a wedding reception.

While important to know where you are covered, it is equally important to know who is covered. An “insured” is defined as the person named in the declarations, that person’s spouse as long as a resident of the household, relatives residing with the insured at the residence, and persons under the age of 21 and in the care of the named insured, spouse or resident relative. This would include foster children or children for which the insured has guardianship.

Inside:

- Why Lousy Grammar Makes For Good Passwords
- Are Annuities For You?
- How To Avoid Storm Damaged Cars
- Tailgate Thefts On The Rise
- Spring Allergies, Their Cures, and Driving

Why Lousy Grammar Makes For Good Passwords

Websites are increasingly requiring more sophisticated passwords. For example, the minimum recommended length of passwords has increased in recent years. Additionally, many websites are now requiring the use of upper and lower case letters, numbers, and symbols. When combining all these elements, it can become difficult to remember your password.

A helpful method for creating a secure, but memorable, password is creating something called a pass-phrase. A pass-phrase is a group of words strung together to form a long password. For instance, you might choose to use a phrase such as “chocolate milk tastes good,” which

becomes “chocolatemilktastesgood.” While it might be more secure to use lJ495\$&#><39eCNie, remembering such a password is cumbersome.

This is why pass-phrases are a helpful option. You can greatly improve the effectiveness of your password by using a combination of lower case and upper case letters and introducing a number or symbol into your pass-phrase. Your pass-phrase might look something like this: “ChocolateMilkTastes2Good.”

A big mistake made by even savvy web users is creating a pass-phrase that is too grammatically correct. Lousy grammar and nonsense will help boost password strength. In fact, researchers at Carnegie Mellon

and MIT have developed password-cracking software that follows grammatical rules to crack long, grammatically correct passwords.

To provide greater security in protecting your identity you might want to consider adding identity theft coverage to your homeowners policy. This endorsement typically provides for expenses incurred during the process of remedying intrusion that compromises your personal information. These endorsements vary by company. Give us a call and we can discuss how, for a modest cost, we can offer you this valuable protection.

Are Annuities For You?

Annuities have been around for a very long time. Many people have no idea just how annuities work. Very simply, an annuity is a contract between you (the annuitant) and an insurance company to provide you with a future income stream. You give an insurance company an amount of money and, in return, the insurance company promises you regular checks for as long as the contract stipulates.

The annuitant has a wide variety of choices regarding how to structure the annuity. Payout can be for a certain period of years or could be paid for your lifetime, and it can begin immediately or sometime in the future. Age, sex, duration of payments, and the amount of payments are determining factors in the initial or ongoing premium.

But, are annuities for you? There are several reasons why you should seriously consider annuities in your financial or retirement planning:

- **Income You Cannot Outlive** – Annuities can provide you income, which by contract, you cannot outlive.
- **Guaranteed Returns** – Annuity contracts guarantee a minimum rate of interest. The amount you get from your annuity will never be less

than what you put into the annuity, a guarantee you can't get in the stock market.

- **Tax Deferred Interest** – Interest earned on a deferred annuity is not taxable until taken out of the annuity.
- **Proceeds at Death Pass Outside of Probate** – While annuities are estate assets, the proceeds pass directly to the beneficiary named in the contract avoiding the probate process.

While annuities aren't for everybody, they do provide a safe-haven for money with guarantees that you cannot find anywhere else. The long and successful history of annuities is one of the greatest arguments in favor of this investment.



Digital Vision/Digital Vision/Thinkstock

How To Avoid Storm Damaged Cars

In the aftermath and cleanup of Hurricane Sandy, car buyers need to be aware that some dealers will hide that they may be selling a flood-damaged car. In fact, they might not have direct knowledge of the damage.

The National Insurance Crime Bureau (NICB) estimates that nearly 250,000 vehicles were damaged as a result of Hurricane Sandy. NICB President and CEO Joe Wehrle says, "there will be cases where damaged vehicles are cleaned up, dried out and sold by unscrupulous dealers or individuals who know how to beat the system." Water damage can lead to problems with a vehicle's computer and electrical systems and cause anti-lock brake and airbag systems to malfunction.

NICB suggests that you examine every car you are considering for purchase, carefully looking for the following signs of water damage:

- Soot, dirt, and mold in out-of-the-way places. Check under the carpeting in the trunk, under the back seat, and dashboard.
- Unusual amounts of rust on screws and sensitive metal parts.
- Water stains on upholstery and seat belts: sometimes the upholstery will appear faded. If the upholstery doesn't match exactly it may be an indication that it was replaced.
- Moisture in the instrument clusters.
- A musty smell or overwhelming scent of a deodorizer.

- Electrical gauges or lights that don't work properly.

Ask to see the dealer's title and look for the word "salvage" or "flood." To find out if a particular vehicle has been reported as salvage by a NICB member insurance company, you can check the car's vehicle identification (VIN) number against the NICB database for free.



Insurance companies who are NICB members, which include most major insurers, provide the NICB with this information whenever they handle a claim of this type. You can check the VIN at https://www.nicb.org/theft_and_fraud_awareness/vincheck/vincheck. Carfax is also offering free Hurricane Sandy VIN checks. If you believe that a dealer is selling flood-damaged cars, contact the NICB at (800) 835-6422.

Tailgate Thefts On The Rise

In case you haven't heard of tailgate theft it is simply that, the theft of truck tailgates. This isn't a new crime, but it is rapidly on the rise. The rate of tailgate thefts has been increasing in the last five years at an alarming rate of nearly 3,500 percent. From 2011 to 2012 alone, the rate of increase was nearly 20 percent.

The big targets seem to be the Ford F250, Ford F150, and Chevy Silverado, although thefts have

occurred in many other models in lower numbers.

It is pretty easy to just walk up to a pickup truck, pop the tailgate open, and lift it off the hinge. It takes less than 30 seconds, making a pickup's tailgate an easy and convenient target. With replacement costs many times exceeding \$1,000, pickup owners should be cautious when leaving their vehicle unattended. There are several inexpensive

products available that are very easy to install that will make your tailgate much harder to remove. One such item is a product called Gatekeeper that can be purchased online for about \$25.

Source: NICB

Spring Allergies, Their Cures, and Driving

A study taken from the *Annals of Internal Medicine* suggests that some antihistamines, like Benadryl and Benylin, may impair driving ability even more than alcohol. The driver doesn't even have to feel drowsy.



Forty study participants were given diphenhydramine, a common ingredient in many allergy relief medicines, while some were given an amount of alcohol to boost their blood alcohol level to .10 (legally impaired in most states). Participants tested worse in a driving simulator when under the influence of the antihistamine than when under the influence of alcohol.

A newer non-sedating antihistamine, Allegra, didn't affect driving any more than the placebo given in a blind test screen.

The Asthma & Allergy Foundation of America estimates there are 50 million allergy sufferers in the U.S., and allergies account for more than 17 million outpatient physician visits each year. For decades, antihistamines have been among the most widely prescribed medications. It is estimated that there are currently 30 million patients in the U.S. taking regular antihistamine medications.

If you have to take antihistamines, ask your doctor if a non-sedative prescription will work for you.

The information in this newsletter is meant as a guideline only. There is nothing in this newsletter that alters the coverage or interpretation of any specific policy. Because some statements are generalizations, and because different companies' policies contain slight differences, please refer to your specific policy. Call our office before making any judgments or decisions concerning your particular situation and coverage that may, or may not, apply.

Thanks for choosing a Professional Independent Agent