



Holmes and McDowell, Inc.

*Insurance Since 1924*

P.O. Box 348  
34 West Main Street  
Holmdel, NJ 07733  
Telephone: (732) 946-4800  
Fax: (732) 946-4940

## Personal Touch

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### Smooth sailing with boat owners insurance

On bright and sunny summer days, the allure of water can be irresistible. If you live near a lake, river, or ocean, boating trips may be the perfect getaway when warm weather arrives. Before you set sail, take some time to consider whether you and your passengers meet the required safety standards and are prepared for any unforeseen events.

Boating can be enjoyable, but it can also be dangerous. The U.S. Coast Guard (USCG, 2009) reports that over 5,000 recreational boating accidents occurred in 2007, causing just under 700 fatalities, around 3,600 injuries, and over \$53 million in property damage. Fortunately, the Coast Guard statistics reveal that the number of accidents and fatalities seems to be on the decline, as compared to previous years. To further this trend, the Coast Guard offers online boating safety tips at [www.uscgboating.org](http://www.uscgboating.org), along with the opportunity to take online boating

safety courses and earn certifications. Nonetheless, the potential for mishaps and liabilities has made boat owners increasingly aware of the need for **boat owners insurance**.



A typical boat owner's policy can provide protection for your boat, motor, and equipment against damages incurred by weather, sinking, capsizing, stranding, explosion, fire, and theft. A policy can also help

safeguard boating equipment, which may include anchors, oars, fuel tanks, life jackets, dinghies, tools, and canopies. **Liability coverage** is also offered as legal protection against damages inflicted by the use of your boat, and it may also cover medical treatment needed by your occupants as a result of an accident.

You may choose to add *additional* coverage to your policy. Some examples of **endorsements** include emergency services, such as towing and pre-hurricane haul-out. Additional coverage add-ons could insure personal effects, fishing tackle, and replacement cost motor coverage. In some cases, discounted policy rates may apply for owners who have taken boating safety courses or have good operating records; or if the age of the boat and the ages of all operators are deemed favorable.

When selecting a boat owner's policy, ask questions. Some topics you might want to discuss include the following:

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# Did You Know?

## Disaster preparedness: protecting your family and your property

How would you react if the news came that a hurricane, tornado, or fire was heading in your direction? Would you scramble to protect your home and family, uncertain of where to begin? Or, would you calmly pull out a detailed plan for such emergencies? Would your family be ready to evacuate quickly with essential supplies? Would your house be secure?



Planning for a disaster is no different from other measures you probably take to protect yourself and your family from potential hardship, such as insuring your life, saving for retirement, and getting regular medical check-ups. Preparing for a disaster takes a small investment of time and money. Even a very basic plan could one day save you and your loved ones from financial ruin, injury, or even death.

Here are some steps you can take to prepare your family for an emergency:

**Plan to evacuate.** Think carefully about what you and your family would do if you were advised to evacuate your home. Plan in advance where you

would go and how you would get there. Establish a meeting place for family members in case you become separated. Keep your gas tank at least half full at all times. Prepare a kit of emergency supplies to last you three days, including food and water, a first aid kit, clothing and blankets, and prescription drugs. You should also have an envelope on hand with enough cash or travelers checks to last your family about three days, as well as several credit cards with high available balances.

**Store important documents in an “evacuation box.”** Collect and make copies of all your key financial and personal documents, and make a written and photographic inventory of all your valuables. Essential documents should be stored in a bank safe-deposit box located some distance from your home or in an airtight, waterproof, and fireproof safe or container that can easily be taken with you in an emergency evacuation.

**Protect your property.** If you live in an area that is frequently hit by natural disasters, consider what you can do to mitigate potential damage to your property. Depending upon the type of disaster likely to strike, you may want to take steps like anchoring the foundation and roof, installing hurricane shutters on windows and glass doors, adding fire-resistant siding, securing objects that could fall, moving electrical panels and furnaces to upper levels, installing smoke detectors, and clearing brush from around the house.

In addition, develop an action plan for evacuation. Before leaving your

### *Identity Theft Trends*

The 2008 Fraud and Identity Theft Complaint Data, documented by the Federal Trade Commission (FTC), revealed the most cases of identity theft ever in one year. The FTC received about 1,200,000 complaints related to fraud, identity theft, and other consumer issues, a 50% increase over 2007. Most came from states with the highest rates of foreclosure, indicating that the economic downturn may correspond with an upturn in fraud.

### *More Work, Less Play*

The demands of work, family, and home have led Americans to work more and enjoy leisure activities less, according to a 2008 Harris Interactive poll. The survey of 1,010 adults found that the number of hours of leisure respondents have available each week fell to just 16, down 20% from the previous year. Since the poll was first conducted, the number of leisure hours per week has declined by 10, from a high of 26 hours in 1973.

### *Surge in Home Gardening*

A surprising offshoot of the current economic downturn is an increase in the percentage of home gardeners growing their own food. *The Impact of Home and Community Gardening in America*, a National Gardening Association survey, revealed a jump from 10% to 19% of households planning to grow their own food in 2009. After comparing costs of gardening and buying fresh produce, Americans who grow their own food may save an average of \$500.

# For Your Information

## *Save on Car Care*

Consumers can save on auto maintenance by comparison shopping and calling several dealerships and independent shops, according to Consumer Reports' Annual Auto issue. When budgets get tight, many people are tempted to cut back on regular maintenance. But that can lead to serious repair problems and even larger bills down the road. To read the full report, visit [www.ConsumerReports.org](http://www.ConsumerReports.org).

## *Food Safety*

The U.S. Department of Agriculture's Food Safety and Inspection Service (FSIS) website educates consumers about the importance of safe food handling and how to reduce the risks associated with food-borne illness. Their website features podcasts, fact sheets, and activities geared toward kids and teens. Consumers can also access Ask Karen, a virtual representative that provides answers to common questions. For more information, visit [www.fsis.usda.gov](http://www.fsis.usda.gov).

## *U.S. Passport Cards*

To secure and expedite travel, the Department of State has developed a Passport Card as a more portable and less costly alternative to the traditional passport. Passport Cards meet the requirements of the Western Hemisphere Travel Initiative, a provision of the Intelligence Reform Terrorism Prevention Act of 2004, which requires citizens of the U.S., Canada, the Caribbean, and Bermuda to have a passport or other document that establishes the bearer's identity and nationality to travel among these countries. Visit [www.travel.state.gov](http://www.travel.state.gov).

## Complete your collection with insurance

If you're a collector who has put years, or possibly a lifetime, into acquiring a collection, you could find it gone in an instant if a fire, theft, or other disaster occurs. Because these prized possessions may not be covered by your **homeowners policy**, consider adding a personal articles floater to help broaden the protection for your collection. A **personal articles floater** is designed to insure nine classes of personal property on a scheduled basis, including jewelry, furs, cameras, musical instruments, silverware, golf equipment, fine arts, postage stamps, and rare and current coins.

### *Determine Your Needs*

Not all collections will need a personal articles floater. In order to determine your needs, get an appraisal of your complete collection from an accredited professional. Keep the

appraisal document, together with any pertinent sales receipts, in a safe place outside your home. You may also want to inventory your collection through photos or video. This documentation, which should be kept with your appraisal and sales receipts, provides proof of ownership and can help expedite your claim if loss or damage occurs. Update both your appraisal and inventory regularly, especially when adding new items.

Even a collection that starts out modestly can grow to represent a considerable investment of time, money, knowledge, and love. With the help of one of our qualified insurance professionals, check your homeowners policy limits against the value of your collection, and consider adjusting the limits accordingly with a personal articles floater.

## *Disaster preparedness: protecting your family and your property*

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house, secure outdoor furniture, unplug electrical equipment, shut down gas and water utilities, and lock windows and doors.

**Get the family involved.** Assign evacuation-related tasks to each family member, and conduct a drill to ensure that everyone in your household knows exactly what to do in an emergency situation.

**Purchase necessary insurance coverage and review your policies regularly.** Many people who have lost their homes to disasters find their insurance policies do not cover the cost

of rebuilding. Review your homeowners insurance policy annually to make sure it reflects the actual replacement cost of your home and its contents. Be aware that your policy may not cover damage due to specific causes, including flooding.

Your particular circumstances will ultimately determine what measures are necessary to prepare your family for weathering an emergency. Whatever action you decide to take, remember that most disasters strike with little or no warning—the time to prepare is now.



## Fire prevention for kids

According to the National SAFE KIDS Campaign (2009), one of the leading causes of unintentional death and injury to children is fire.

Many fires erupt while young children are playing with matches and lighters at home. Fires often start in a living room or bedroom where children are left alone to play. Young children are especially vulnerable because they tend to be less aware of danger, have less control over their environments, and lack the ability to react quickly and appropriately to an emergency. Also, their lungs may be particularly susceptible to damage from smoke and fumes.

### Teach Your Children Well

- **Set a good example.** Teach your children that fire is a *tool*, not a *toy*. Protect them by keeping matches, lighters, gasoline, and other flammable materials out of their reach.
- **Install smoke alarms in your home.** Smoke alarms dramatically reduce the risk of death from fire. Place an alarm on every level of your home and in every bedroom. Also, test them each month and change the batteries once a year. Replace your alarms every ten years. Consider installing different types of alarms for different types of fires: photoelectric alarms to detect slow, smoky fires and ionization alarms to sense flames. Purchase the appropriate type of fire extinguishers and learn how to use them.
- **Take the time to plan and practice escape routes with your children.** Practice escape routes from every room in your house and identify an outdoor meeting location. These steps can help children, who may become disoriented and frightened in a fire, escape safely.



Of course, it's impossible to prevent all fires. But by following these steps, you can help minimize the risk. For more information, visit the U.S. Fire Administration's website at [www.usfa.dhs.gov](http://www.usfa.dhs.gov).

## Smooth sailing with boat owners insurance

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- What laws are unique to my state?
  - Is my trailer covered, and which boating supplies are covered?
  - Will completing boating safety courses make me eligible for discounts, and if so, which courses apply?
  - Are both inland and ocean boating covered?
  - Is there an age limit on operators, and who will be covered?
- When applying for a boat owners insurance policy, be prepared to supply the following information:
- The age and driving record of all operators
  - The year, type, model, value, power supply, and material of the boat
  - The amount of horsepower, year, and value of the motor
  - The manufacturer, year, and value of your trailer
- Taking a few minutes to answer these questions can result in policy coverage that will protect both you and your loved ones. Routine safety checks should also be a part of your protection plan. With the purchase of boat owner's insurance, you may be a step ahead in protecting yourself from the sometimes unpredictable elements of the sea. Give us a call, and one of our qualified insurance professionals will be happy to discuss your boat coverage options.