

FELTON, BERLIN & ERDMANN

INSURANCE SERVICES, INC.

October 2017

Welcome



I am pleased to send along our quarterly newsletter.

Please feel free to give me your feedback about the material presented as well as topics/ ideas for future newsletters.

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What's New This Month

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Inexperienced Teen Drivers Are Three Times More Likely To Cause Fatal Accidents

A recent study conducted by the AAA Foundation for Traffic Safety showed that teen drivers between the ages of 16 and 17 were three times more likely than adults to be in fatal car accidents. Researchers chose to release the study recently since the period between Memorial Day and Labor Day marks the deadliest period for teen traffic accidents each year. More than 1,500 people were killed during the past five years in crashes where inexperienced teens were behind the wheel.

Since teens are out of school and on the road more often during the summer months, crash rates are significantly higher. Researchers said that the combination of inexperience and more time spent driving creates a deadly equation. This latest study analyzed all drivers and their crash rates per mile. The study showed that for each mile on the road, **teens between the ages of 16 and 17 were:**

- Two times more likely than drivers between the ages of 30 and 59 to be involved in a fatal crash.
- Five times more likely than drivers between the ages of 30 and 59 to be in a car accident.
- Six times more likely than drivers over the age of 18 to be involved in a deadly accident.
- Nine times more likely than drivers over the age of 18 to be involved in an auto accident.

In comparison with the previous year's data, researchers found that the number of teens involved in deadly car accidents increased by more than 10 percent. AAA is urging parents across the country to help reduce these numbers by talking to their teens about risky driving behavior and taking action to limit their time on the road during summer. They are hoping to encourage parents to be good role models of proper driving behavior as well. Researchers said that parents should observe speed limits, avoid using their phones while driving and always wear safety belts to set a good example.

There are several factors that contribute to a higher number of fatal accidents among teens. Distraction is the leading problem and causes about 60 percent of all teen crashes. Talking to other passengers, using a smart phone and trying to eat or drink while driving are common distractions for teens. In 60 percent of fatal accidents involving teens, the young drivers were not wearing safety belts. About 30 percent of fatal teen crashes happened when inexperienced drivers were speeding. Researchers at AAA found that speeding was one of the top mistakes made by teens and reported by their driving instructors while the teens were learning to drive. If parents everywhere take steps to make driving safer for teens, the roads will be safer for everyone.

How to File a Flood Insurance Claim

How to File a Flood Insurance Claim

If you are among the millions of Americans affected by the recent flooding, you can be assured that the insurance industry stands ready to pay all documented claims and keep the promises it made to policy holders.

If you have purchased flood insurance and you are able to document your losses, you will receive compensation as promised in your policy.

If you are in a flood zone, you should have flood insurance, regardless of what part of the country you live in. The cause of flooding - be it inland rains, swelling rivers or hurricanes - does not matter, so the risk of flooding is prevalent in most parts of the country.

Remember that your basic homeowner's insurance policy does not cover flood damage. Generally, homeowners must purchase a separate policy to cover flood damage via the National Flood Insurance Program or from just a few private carriers.

To ensure the highest possible compensation level and fastest settlement of your claim, follow these tips:

- Keep your family safe. Evacuate when ordered by authorities and come back only when it is safe to do so. The insurance industry would much rather pay out property damage claims than pay out life insurance claims.
- Separate damaged from undamaged property as best you can. Move damaged items outside. Cut a sample of wall- to- wall carpeting, wallpaper and other valuable items that can't be moved, to show your adjuster.
- Don't discard anything before your adjuster sees it, unless directed to do so by law enforcement.
- Photograph all damaged items and structures.
- Contact your insurance agent, so they can arrange for an adjuster to inspect the property as soon as possible.
- File *Proof of Loss* documents within 60 days of the flood. Start gathering written estimates and bids from licensed contractors to repair the flood damage.
- Retain copies of all correspondence with the insurance company and any contractors involved.
- Write down names, titles and the substance of any discussions you may have with your agent, the adjuster or insurance company representatives.
- If your car was damaged, file that claim with your auto insurer.
- If you find additional damage within the 60- day window, notify your agent immediately and file a request for an Additional Flood Payment. FEMA may grant extensions in some circumstances. Your agent and adjuster can assist you. If you have water damage other than from flood waters (e.g., rainwater coming through a hole in the roof), this may have to be covered by your homeowner's insurance or by your state's windstorm and hurricane insurance. Speak with your agent for details.

Appealing a denial or low settlement offer

If you are denied, or if you believe the settlement amount is improperly low, you can appeal your insurance company's decision, as follows:

Follow your carrier's internal procedures. Often the insurer makes a low offer because there is missing documentation. If your adjuster and your adjuster's supervisor can't resolve your issue, you can elevate it to your carriers' claim representative. We can provide assistance and contact information.

Get an appraisal. If you have a dispute over the value of a covered item, you can request an independent appraisal, which cannot be appealed.

Appeal to FEMA. If that doesn't produce a satisfactory result, you can file an appeal with FEMA within 60 days of the denial letter from your insurance carrier.

File suit. If that doesn't resolve your issue, your last resort is to file a lawsuit within a year of the first denial of all or part of your claim. File your suit in the court for the district where the damage occurred.

Where to learn more

For more complete information on filing a flood insurance claim, download this booklet from FEMA: (https://www.fema.gov/media-library-data/1409252356253-ee460a21e69333f01eea03a8f55eb3c6/F-687_ClaimsHandbook_508X1_A)

Insuring, Protecting Your Wine Collection

Are you a wine aficionado? Do you have an expansive collection of fine and rare wines?

If you fit the bill, you are surely storing the wine properly. But what if you had a major power outage in the summer that lasted for days and your collection simmered in the high heat? What if a hurricane, tornado or earthquake struck, breaking hundreds of bottles of wine in the process?

Although broken thermostats and electrical power outages may not be avoidable, there are still risk management measures that can be put in place to help prevent or reduce the loss.

While there are a number of measures you can take to protect your wine, in the end, your best efforts could be for naught in case of a serious and unexpected event, like the ones described above. And if your wine collection is worth more than \$10,000, you should seriously consider purchasing wine collection insurance.

Unfortunately, many connoisseurs find out the hard way that their homeowner's insurance does not cover damage to their collections. Typically, you need to purchase a specific policy or a rider to your homeowner's policy to cover your wine collection.

There are often two types of wine- specific policies or riders:

1. **Blanket policy** - This policy, or rider, gives you the option to add and remove (drink) bottles without having to notify the insurance company each time. Your wine collection would be valued at the beginning and you would only need to inform your insurer if you bought a large lot of wine or if some of your wines significantly grew in value.
2. **Scheduled policy** - For this policy you need to itemize each bottle or case to essentially insure them separately. This is ideal for high- priced collections that you intend to keep and not necessarily drink.

These policies will cover:

- A breakdown of failure in your climate- control system that ends up damaging your wine.
- New purchases.
- Your wine in transit.

Protecting your wine

You should consider the following:

- **Have a backup generator** - To avoid the risk of a failure in your climate control system, you could install a backup generator that kicks in in the event of an electrical system shutdown.
- **Install temperature sensors** - Ideally, they would be connected to your central alarm system.
- **Ideal location** - If you are building a wine cellar, locate it below ground and adjacent to an exterior wall. Such locations tend to be cooler.
- **Off- site storage facility** - You can keep your most valuable bottles off- site, and your more everyday consumable bottles at home.
- **Have a good security system** - Equally important, use an Excel- like spreadsheet to keep track of your wine additions and use.
- **Pick a good storage vendor** - Make sure that you choose a vendor who has a manager or sommelier who is responsible for your collection to ensure it's not comingled with another customer's wine.
- **Select the right transporter** - When shipping large collections, or high- priced individual bottles, choose companies with fine art/ wine experience, instead of common carriers.
- **Have a good inventory system** - Keeping your collection in an orderly manner is essential, so you know what you have and how much it's worth. Ideally, you would have all of your wine on a spreadsheet and use an inventory system that keeps track of your collection. There are a number of web- based wine- management systems on the market.
- **Preventing breakage** - If you live in an earthquake- prone area, you may need to use steel racks anchored to concrete flooring to keep the collection stable in case of a temblor.

The purpose of this newsletter is to provide information about industry trends and news of general interest to our clients, potential clients and other professionals. Information about product offerings, services, or benefits is illustrative and general in description, and is not intended to be relied on as complete information. While every attempt is made to ensure the accuracy of the information provided, we do not warrant the accuracy of the information.