

Insurance Tips

Read your deed. And have your insurance agent read the deed, as well as the governing documents. Send these documents along with a cover letter asking for their written remarks. In some developments the homeowner's deed states his or her ownership of the specific property includes a given percentage of the common property. This could mean a portion of the landscape, private streets, sidewalks, lighting, fences, etc. If the deed so reads, the homeowner policy should address the subject of common property coverage.

Read your policy. Silly admonition? There are standard clauses about landscape, about "appurtenances", and other items you should understand. Is a fence an "appurtenance?" A deck? Ask your agent *in writing* to explain things about your policy that you don't understand. Yes, it's easier to talk, but talk never holds up in court. Write the letter! Then make it a habit to review your policy either annually or biannually.

Know your agent. Agents now have an "agency contract" with every company they do business with, so there are "captive" agents and agents with multiple principals. Agents can act as brokers on rare occasions when they place coverage with a non-admitted company or through another agent, but the term "broker" does not mean what it once did. "CPCU" after the agent's name means that he or she is a Chartered Property and Casualty Underwriter, a title earned by experience, study and examination and worthy of respect. An "ARM" is an Associate on Risk Management, a somewhat lesser achievement, but an indication of above-average capabilities.

Know your insurance company. The recent immense natural disasters in America have provided consumers with more information than was ever available about insurance companies and their claims adjustment policies. Several insurance consumer-advocate groups have been organized, notably United Policyholders in California (510-841-8646). These organizations can rate insurer's reliability. They should be consulted when you buy insurance. Patronize companies that will tailor coverages and help you to get what you want and those with good claims adjustment records in the recent disasters.

Insure special items. Jewelry, tools, computers, etc. Do you have special collections that represent larger-than-usual investments? If so, the additional cost of a specific "rider" to insure against their loss can be economical. Ask the question! Get a schedule of *insurable values* for the rider and keep it up to date as your investment grows. These values can come from an expert or an appraiser. Insurance is a *dynamic* entity.

Write letters. To agents, to their companies, etc. Keep this file with Aunt Nellie in Sheboygan, at your office, or wherever, but *not* in the house.

Take photographs. And videos. If you use videos, narrate specific purchase history and cost of major items. If photographs, annotate the same information with the photos. Store these records off premises, possible one copy with the agent. Never throw away a policy.

Use an Insurance Consultant. As a result of the complexities of today's insurance policies, the industry of Insurance Consulting has blossomed. An insurance consultant will read your policies for you with an experienced eye, or, preferably, will help you to evaluate your risks and to shop for a reliable carrier whose "products" will insure you against those risks.