

WE HAVE YOU COVERED:

- Auto
- Home
- Business
- Trailers
- Motorcycles
- Boats
- Cabins
- Secondary Residences
- Condos
- Tenants
- Personal Umbrella
- Rental Properties
- Travel

INSIDE THIS ISSUE:

A Note From Rob... Alcohol Liability	2
Commercial Corner with Chris Haggis	2
Marijuana Grow Houses	3
Tips From Our Client Protection Team	3
Contact Information	4
"Spread the Word" Referral Program	4

The Value of Collision Coverage

Featured Claim...

Recently one of our clients was in an accident with a woman who ran a red light. Our insured T-Boned her vehicle which resulted in damage to both vehicles. Thankfully there were no injuries, but the unfortunate part was that the woman responsible for the accident did not carry collision coverage on her vehicle which was only 4 years old. She was extremely upset at the scene, wondering how she was going to pay for the immediate towing charges, let alone pay to have her vehicle repaired or replaced and pay for replacement transportation when her damaged vehicle was being repaired or replaced.

Our client on the other hand carried both collision coverage and * loss of use (rental car). You may wonder why this was important since he was not at fault and the woman's insurance company ended up paying for his damages. It's important because it takes time to investigate an insurance claim involving a car accident even if the fault in the accident appears obvious. The claims adjuster for the insurance company needs to gather and review the police report and statements from all of the parties involved including

any witnesses before the fault is determined. During this time, our client would have been in limbo. Until the woman's insurance company accepted the liability or in other words agreed that she was in deed at fault, they would not pay for a rental car or authorize the repair of our client's damaged vehicle.



By placing a collision and loss of use claim with his own insurance company, our client was allowed to immediately rent a car and make arrangements to repair his vehicle. Collision claims are paid without regard to fault. When the woman's insurance company accepted liability, our client's insurance company was reimbursed for the funds that they paid out for both the vehicle repair and rental car. The collision claim did not affect our client's insurance record as it was a no fault claim. He did have to pay his collision deductible but this too

was reimbursed by the woman's insurance company when the claim was settled.

Last month we received a call from a client who hadn't purchased collision insurance on his vehicle and had been in an accident. The accident was not his fault and he wanted to report the claim to his insurance company so they could help him settle the claim. He couldn't understand why his own insurance company would not assist him. When you purchase your policy or contract of insurance, you select the coverage that you want to purchase from the insurance company and pay the premium that they charge for that coverage. In this situation, because collision insurance was not purchased, the insurance company had no "interest" in the claim because collision insurance was not part of the contract.

* Loss of Use (SEF 20) covers reasonable expenses that may be incurred for the rental of a replacement vehicle, taxi, or public transportation while the insured vehicle is not drivable due to an insurance claim. You should purchase loss of use limits that are high enough to last the length of time it takes to have your vehicle repaired or replaced.

A Note From Rob... *Guests, Alcohol & Your Liability*

It doesn't matter if it's in your home, office or a rented venue, if you host a party where alcohol is served, you may be held legally responsible for the actions of your intoxicated guests. In addition, as a host, you could be liable for bodily injury suffered by one of your guests attending the event.

A host can be a homeowner, an officer of a service club or a parent renting a banquet hall for their son or daughter's wedding.

When it comes to host liability, as a host you must take reasonable steps to protect your guests from any foreseeable risk of injury. Before a function, be sure to repair

loose carpets, broken steps, uneven walkways, and any other potential hazards.

If alcohol is being served at the event, we recommend you remain sober, provide



food for your guests, make non alcoholic drinks available, prohibit drinking games and stop serving alcohol at least two hours before the function is scheduled to end.

A good way to protect yourself is to purchase a Party Alcohol Liability policy to cover a licensed function or a Liquor Liability Policy for Private Residence if the event is unlicensed and in your home. For liquor liability only, the cost for up to 100 guests is \$100 and up to 500 guests is \$125 for \$1,000,000 of coverage.

To find out more, contact us before your next special event.

- Rob



Businesses In The Home

Do you operate a business from your home? Did you know that the majority of home-based businesses are not covered under a home policy?

Homeowner insurance policies are designed and priced based on the risks associated with a dwelling that is occupied as a home. As soon as you operate a business out of your home the level of risk changes. That's why home insurance policies contain exclusions and limitations that restrict or limit coverage associated with business activities.

If you're operating a home based business, you need to let us know. You may need insurance on your business contents and liability for your business activities. Depending on the level of risk associated with your business, not advising of a business activity could jeopardize the insurance coverage you currently have on your home.

Whether you run a daycare, a computer repair business, an office, a bed & breakfast or repair vehicles in your garage, you need to talk to us. A special policy, a rider to your current home policy, or additional liability coverage may be re-

quired. While a home based business can provide freedom, wealth and personal satisfaction, it could also expose you to situations where your home policy may not respond. Remember to stay in touch with us to make sure your insurance coverage is always up to date.

- Chris



Commercial Corner *with Chris Haggis*

Marijuana Grow Houses Make Lousy Neighbours

There are estimated to be 50,000 marijuana grow houses in Canada. Although they can exist in any neighbourhood, organized growers seem to prefer to rent larger homes in quiet areas with unfinished basements. You may even have one in your neighbourhood.

Besides being illegal and driving property values down, *grow houses create health, fire, and safety risks for neighbours and future purchasers.*

Grow house operators often steal electricity to power an elaborate system of lighting and fans. Rarely do these modifications meet electrical codes—instead they create hazards. It is estimated that 1 in 10 of these rewired homes will burn down.

The heat lamps used to create artificial lighting generate tremendous amounts of heat. So growers install powered venti-

lation systems to remove the hot humid air. This often results in damage to structural components, including roof/gable vents, chimneys and attic spaces. Improper ventilation causes dampness which leads to mould growth, mildew and rot.

The alterations made to the building for optimal plant growth, including electrical and ventilation modifications, are often impossible to reverse without great expense. *Insurance companies will not cover damage caused by marijuana grow operations.* According to real estate experts, once a home is used for a grow operation, it can have a dramatic negative effect on its resale value. Unless it is totally rehabilitated, a grow house may be impossible to finance or insure.

If you are a landlord, be wary of renters who pay in cash and are rarely at home. Landlords should always request a copy of the renter's insurance policy, specifi-

cally naming the landlord as an additional named insured on the policy. In addition, always ask for a credit application. The creation of a paper trail and request for insurance documents will usually deter any potential grower from your property.

Telltale signs of a grow operation include houses that always have the blinds down or windows covered; "occupants" that are rarely seen, or come and go at unusual hours; and houses with little or no garbage for pickup.

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Insurance Brokers Association Ontario

Tips From Our Client Protection Team

Boat Insurance

Did you know that unlike your auto policy, boat insurance must be approved by the insurance company before you have coverage? Make sure you allow yourself ample time to add coverage or set up a new boat policy. Nice weather and long weekends mean longer wait times with boat insurers, so plan ahead and get your insurance put in place before you head out to the lake!



Mike Clark, CAIB

AMI Autoglass Insurance

AMI auto glass insurance protects you from high replacement glass costs.

With low yearly premiums, convenient monthly payment plan options and \$50 deductibles, AMI will save you money and hassles. And best of all, AMI coverage is separate from your main policy, so glass claims will not affect your claims record on your auto policy! Call us today to learn more!



Karrie Wright

"Mortgage Free" Discount

Did you know that if you don't have a mortgage on your home that you qualify for a "mortgage free" discount? If you have paid off your mortgage please call to let us know so we can make sure to have the discount added to your policy. Who knew being financially responsible could be so rewarding?!



Pam Dacey

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Let us know how we're doing & if there are
any topics you would like to see discussed in
an upcoming issue of 'Insurance Update'

The intent of this newsletter is
to highlight certain areas of
insurance. It is important that
you refer to your policy word-
ings for specific information
regarding your limits and cover-
age.

Spread The Word



Referral Program

And the winner is...

For April: Lance Carlson

For May: Peter & Lee Lunde

For June: Karen & Lonnie Root

Our lucky winners have already received their gift card
for The Keg, and their names will be entered into our
grand prize drawing December 2009 for a Westjet gift
certificate valued at \$500*!

Please keep referring your friends & family to our office
for a free no obligation quote, and **YOU** could win next
month!

With every referral you send our way, your name will be
entered into the following draws:

- Monthly draws for a \$150 The Keg gift card
- Annual draw for a Westjet gift certificate
valued at \$500*!

If you have any questions, concerns, or comments about
our referral contest please give us a call or drop us an
email.

* - A donation of \$500 to a charity of your choice will be made on behalf of those
who do not wish to receive the Westjet gift certificate.

