

STAYING in Touch

Tips, strategies, and advice to help you choose the right insurance coverage from your Insurance Shopper



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Do You Operate a Home-based Business?

Many home-based businesses are either underinsured or uninsured because the owners thought their business activities were covered under their homeowners policy.

If you run a business out of your home, don't automatically assume your Homeowner's, Condominium or Tenants policy has you covered. It doesn't. In fact, unless your insurance company is aware of your home-based business, you may even void your home policy.

As a business owner, you're exposed to insurance risks that aren't covered by your homeowner's policy.

- If your computer is stolen, you may find that it's not covered by your homeowner's policy because business property is excluded;
- If a delivery person slips and falls when delivering a package, you could be sued and find out you're not covered for injuries associated with business deliveries;

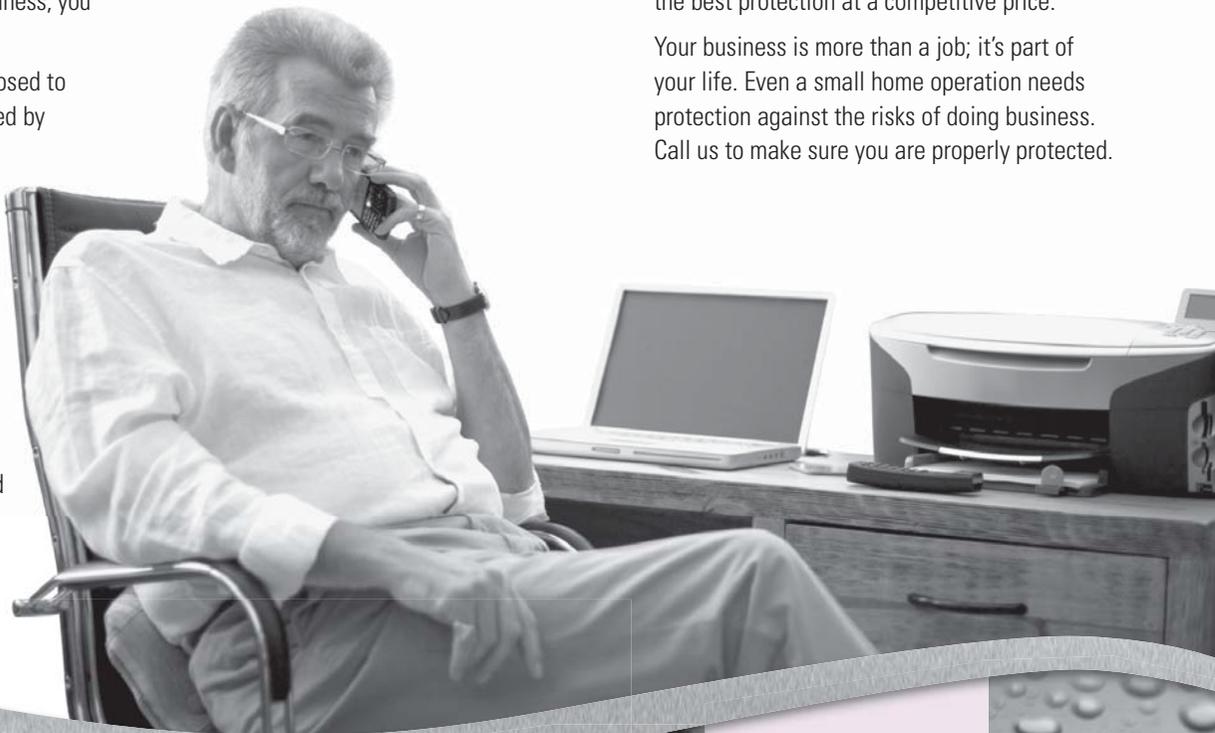
- If your house burns down, you may find that your fire coverage is void because you didn't tell the insurance company that you were using your home for business.

Fortunately, it's easy and affordable to protect yourself and your business by adding a Home-Based Business extension to your property policy.

For most home-based businesses, this extension is all you need to protect your property and cover any liability exposure arising from your home business. Call us to get started.

For financial professionals, salespeople or providers of specialized services, you may be exposed to different risks. We'll take the time to explain your options and make sure you get the best protection at a competitive price.

Your business is more than a job; it's part of your life. Even a small home operation needs protection against the risks of doing business. Call us to make sure you are properly protected.



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5 Tips for Business Owners to Protect Their Balance Sheets

In times of economic uncertainty, business owners must become more vigilant in protecting their balance sheets and income statements.

Managing risk through insurance can protect the financial well-being of any company, large or small. Each company must develop a risk management philosophy that balances the amount of risk the company holds in-house versus the amount they transfer to an insurer. The key to successful risk management is to keep the loss frequency (# of claims) at a manageable level to avoid exorbitant premiums or unavailability of the insurance product.

Here's how you can keep your insurance portfolio healthy

Increase Deductibles By increasing deductibles, business owners can save money on premiums and reduce the temptation to utilize the policy as a maintenance contract. When choosing a deductible, determine what dollar amount you would be comfortable paying on your own and set your deductible accordingly. For example, if you decide you could cover all building damages of \$5,000 or less, do not choose a \$1,000 deductible. The lower deductible will cost you more in premiums and open up the temptation to use the policy as a maintenance contract.

Motor Vehicle Abstracts Business owners should obtain motor vehicle abstracts on all personnel operating company vehicles annually. While accidents do happen, choosing drivers with proven track records will cut down on frequency of incidents. Remember to get informed consent from company drivers before ordering reports.

Maintenance Logs Business owners should keep detailed maintenance logs of all vehicles, equipment, and buildings. As the economy struggles, the general populous may become more litigious. Proper documentation can disprove negligence and help avert a claims situation.

Increase Liability Limits As society becomes more litigious, court awards are increasing. Are you sure your current limit offers adequate protection? An Umbrella Liability Policy is a cost effective way to increase liability limits under all policies. This policy acts exactly as it sounds - it provides another tier of Liability Insurance that is triggered once the underlying limits are exhausted.

Backup Surety Contract surety (bonding) is crucial to some businesses, as it allows them to avoid tying up working capital. However, if something goes awry, it can seriously impede the business owner's ability to perform. Let us arrange a backup surety in case issues arise during the course of the bidding season.

We're business insurance experts. If you've got a question, we've got the answer.

Insurance Fact: The insurance industry is highly inter-connected.

Higher premiums may be the result of large losses or catastrophes in other parts of the world. Through re-insurance, primary insurance companies spread their risks across several countries and even continents. Therefore, a large natural disaster or large court rulings in other parts of the world may have an impact on the cost of covering your risks, even though your business's characteristics have not changed.

Is it time for Home Renovations?

In an effort to kick-start the economy, the federal government introduced the Home Renovations Tax Credit in 2009. You could receive a credit of up to \$1,350 simply by improving your home before February 1, 2010.

Some examples of eligible expenditures include:

- Renovating a kitchen, bathroom or basement
- New carpet or hardwood floors
- Building an addition, garage, deck, garden/storage shed or fence
- Re-shingling a roof
- A new furnace, woodstove, boiler, fireplace, water softener or water heater
- A new driveway or resurfacing a driveway
- Painting of interior or exterior of a house
- Window coverings directly attached to the window frame and whose removal would alter the nature of the dwelling

- Laying new sod
- Swimming Pools (Permanent - in ground and above ground)
- Fixtures – lights, fans, etc.
- Associated costs such as permits, professional services, equipment rentals and incidental expenses

This limited time credit applies to contracted work and/or purchased goods valued at more than \$1,000.

If you spend \$10,000 or more, you qualify for the maximum credit of \$1,350. The cost of routine repairs and maintenance are not considered eligible expenses. Full details about the Home Renovation Tax Credit are available at: www.cra.gc.ca.

Important Insurance Coverage Reminder:

If you are considering home renovations or additions in excess of \$5,000, please contact us to avoid a potential gap in your insurance coverage.



Safer Roads for a Safer Ontario

If you're caught driving with a blood alcohol concentration (BAC) from 0.05 to 0.08 (known as the "warn range"), the police can immediately suspend your licence up to three days for a first occurrence, seven days for a second occurrence and 30 days for a third or subsequent occurrence. In each case, there is also a \$150 Administrative Penalty.

These roadside licence suspensions cannot be appealed. Suspensions will be recorded on the driver's record for up to five years and will be considered when determining consequences for subsequent infractions – please see below.

Consequences for Driving with a 0.05 to 0.08 "Warn Range" Blood Alcohol Concentration

First Time

- 3-day licence suspension
- \$150 Administrative Monetary Penalty

Second Time (within 5 years)

- 7-day licence suspension
- Mandatory education program
- \$150 Administrative Monetary Penalty

Third Time (within 5 years)

- 30-day licence suspension
- Mandatory alcohol treatment program
- Six-month ignition interlock licence condition
- \$150 Administrative Monetary Penalty

Subsequent infractions (within 5 years)

- 30-day licence suspension
- Mandatory alcohol treatment program
- Six-month ignition interlock licence condition
- Mandatory medical evaluation
- \$150 Administrative Monetary Penalty

These changes came into effect May 1, 2009.

As your insurance broker, we care about you and your family. Any accident caused by an impaired driver can be devastating. Whether you're involved in an accident or not, being charged with impaired driving has a major affect on your insurability and rates.

OHIP Limits are why Travel Insurance makes sense!

Ontario's Health Insurance Plan (OHIP) covers the cost of most doctor, medical, ambulance services and emergency treatments as long as they are provided in Ontario.

When you travel to another province within Canada, OHIP covers the costs of emergency treatment at Ontario's rates with Ontario's limitations. This means if you were involved in accident outside Ontario, you could face an OHIP coverage shortfall and be forced to pay the difference.

In addition, emergency treatments provided by Chiropractors, Optometrists, Podiatrists and Osteopaths, as well as some medical services delivered in Quebec have reduced or limited coverage. Check the Health Insurance Act and its related regulations for complete OHIP eligibility and coverage restrictions.

What happens when you travel outside of Canada?

Will OHIP pay the same medical expenses that are covered in Ontario? The answer is NO.

OHIP provides very limited funding for a limited range of medical services when you travel outside of Canada. Only emergency health services are covered. To qualify as an emergency, the treatment must be medically necessary and must be performed at a licensed hospital or licensed health facility. The treatment must be rendered in relation to an illness, disease, condition or injury that is acute and unexpected and arose outside of Canada and requires immediate treatment.

What is not covered by OHIP?

If the treatment is not medically necessary or is rendered at a facility that is not licensed, there is no OHIP coverage. If the illness, disease condition or injury arose inside Canada, or the treatment is not generally accepted in Ontario, there is no coverage. Ambulance services or transportation costs are not covered.

It may be covered, but how much will OHIP pay?

OHIP will not pay more than the service would have cost in Ontario. For Physicians, OHIP will pay what was billed or the cost of the same physician service in Ontario, whichever is less.

For health facility services, OHIP will pay \$50.00 Canadian per day, except for dialysis patients who will receive \$210 for each treatment. For most inpatient services, OHIP will pay \$200 per day. For inpatient services rendered in an operating room, coronary care unit, intensive care unit, neonatal or pediatric special care unit, OHIP will pay up to \$400 per day. The per day limits apply to hospital services including accommodations, meals, prescription drugs, surgically implanted devices and nursing services. OHIP does not pay for ambulance or transportation costs, out-of-hospital food or accommodations and non-prescription drugs.

Why Travel Insurance makes sense

Without travel insurance, a broken arm, or even something as basic as the flu, could lead to substantial medical bills costing thousands of dollars. Travel insurance can protect you in the case of medical emergencies, theft, lost baggage and last-minute plan changes. It is important that you read the exclusions and limitations so there are no surprises if you need to file a claim.

If you are planning a trip outside of Ontario, talk to us about travel insurance.

We'll help you have a worry-free holiday.

Protect your home from water damage and sewer back-up

Breezing through the doors of your new sixth floor condo you hear a dripping sound and spot a horrifying wet stain on the ceiling. Yikes, it's leaking onto your new leather couch! You're 20 meters above the nearest storm drain, how could sewer back-up insurance possibly cover your losses?

When it comes to sewer back-up situations, most property owners think of the black sludge that covers a basement after a sump pump is outrun by a severe rainstorm. However, even if your home is nowhere near ground level, **sewer back-up insurance can cover your costs if**

escaping water damages your property.

Without such protection, you could find yourself in a mess - both literally and financially!

Sewer back-up insurance typically covers you for losses or damage caused by water that has accidentally escaped from a sewer, drain, storm drain, sump, septic tank, eavestrough or downspout. Many property insurance policies limit or exclude coverage for these types of losses.

Whether you own or rent your home, adding a sewer back-up endorsement to your property policy can cover the cost of damages and clean up after this type of disaster.

Talk to us. We'll explain what your policy covers and help provide protection that's right for you!

3 simple steps you can take to help avoid water damage losses

- ✓ **Place downspouts on the outside of your home;**
- ✓ **Install window wells on basement windows;**
- ✓ **Check to make sure your sump pump is in working order.**

Congratulations! You are now a volunteer

Many of us get involved with community organizations and volunteer our time and energy for the good that is done. But have you considered your exposure to personal liability when you volunteer?

Volunteers involved with fundraising, whether for organized charities, minor league sports teams, or special causes such as helping a family with emergency expenses, are especially vulnerable.

What if during the course of the fundraising event you inadvertently cause bodily injury to a third party, and you are named in a lawsuit? Bodily Injury claims are potentially serious and can involve significant amounts of money. Where would you look for legal assistance?

Before volunteering, we recommend you confirm the organization has a general liability policy. Typically, this policy covers Board Members and employees, but not necessarily volunteers. If this is the case, ask if coverage can be extended to volunteers.

Where do you look for protection if the organization does not have a liability policy or does not include coverage for volunteers?

If you have a Homeowners, Condo or Tenants package, you automatically receive liability protection for most property damage and bodily injury claims arising out of your personal actions anywhere in the world. However, if you operate or use any motorized vehicle, trailer or watercraft in your charitable activities that does not belong to you, make sure the owners have insurance and have provided you with consent.

Personal injury claims are a different matter. Personal injury claims deal with libel, slander, defamation of character or invasion of privacy rights. If you inadvertently cause personal injury to an individual while volunteering, your Homeowners, Condo or Tenants liability policy will not likely cover you.

Instead, a Personal Umbrella Liability Policy may be your best option. Personal Umbrella policies cover this specific exposure and provide higher liability limits over your Automobile Personal Liability, Watercraft and ATV/Snowmobile policies. A Personal Umbrella can also protect you from damages caused by an act or omission by you as an officer or member of a Board of Directors or any Non Profit corporation or organization. Remember, all policies are different. If you need more information, advice, or would like us to review your policy to make sure the coverage fits your situation, simply call us. We're on your side.

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